



PREPARED STATEMENT FOR THE RECORD OF

FUTURE FILM COALITION

for the

COMMITTEE ON THE JUDICIARY

**SUBCOMMITTEE ON ANTITRUST, COMPETITION POLICY & CONSUMER
RIGHTS**

UNITED STATES SENATE

at a hearing titled

**“EXAMINING THE COMPETITIVE IMPACT OF THE PROPOSED
NETFLIX–WARNER BROTHERS TRANSACTION”**

FEBRUARY 3, 2026

The Future Film Coalition (FFC) appreciates the opportunity to submit this statement for the record in connection with the February 3, 2026 hearing entitled “Examining the Competitive Impact of the Proposed Netflix-Warner Brothers Transaction.” FFC is a national alliance representing filmmakers, producers, film workers, distributors, sales agents, film festivals, and independent movie theaters across the United States. Our members operate across the full film and media supply chain and are predominantly small businesses and independent companies embedded in local economies and communities nationwide.¹

Across the U.S. film and television industry, approximately 92 percent of the 122,000 businesses employ fewer than 10 people,² and FFC’s members are among the small enterprises, filmmakers, festivals, exhibitors, and cultural workers represented within this broader ecosystem. These businesses and enterprises depend on competitive, open, and fair markets for the creation, distribution, and exhibition of film and media, and they increasingly face material constraints arising from heightened market concentration, algorithmic gatekeeping, and the contraction of independent distribution pathways.³

The independent film ecosystem depends on competitive markets, and FFC strongly opposes any transaction that further consolidates control over film and streaming markets. The proposed acquisition of Warner Bros. by Netflix would significantly exacerbate already-high levels of market concentration and vertical integration, with clear and foreseeable harms to competition, labor markets, independent suppliers, cultural output, and consumer choice.

The Netflix–Warner Bros. Transaction Raises Acute Competitive Concerns

Netflix is the largest global subscription streaming service and a dominant buyer of filmed content. Warner Bros. is one of the few remaining major studios with substantial production capacity, a deep film and television library, and long-standing relationships with independent creators, distributors, exhibitors, and international markets.

Combining these entities would eliminate a significant source of competition at multiple levels of the market, including:

- Content acquisition and commissioning
- Film and television production
- Distribution and exhibition pathways

¹ Future Film Coalition: <https://www.futurefilmcoalition.org/about>

² Motion Picture Association, The U.S. Motion Picture and Television Industry: Creating Jobs, Trading Globally, and Driving Economic Growth (MPA Economic Impact Report), <https://www.motionpictures.org/research-docs/>

³ National Endowment for the Arts, Independent Media Arts Field Briefing (2021), <https://www.arts.gov/sites/default/files/IMAG-Field-Briefing-KMR2.pdf>

- Labor markets for creative and technical workers⁴

The transaction would further entrench a vertically integrated model in which a dominant distributor controls both access to audiences and the terms under which content is financed, produced, and released.⁵

Likely Harms to Independent Producers, Workers, and Small Businesses

Based on extensive field experience and previous merger outcomes, FFC believes the proposed transaction would result in the following harms:

- **Fewer buyers for independent works.**
Eliminating a major studio buyer reduces competition for content, weakening negotiating leverage for independent producers and creators and increasing the likelihood of take-it-or-leave-it contracting terms.
- **Downward pressure on budgets and compensation.**
As buyer power consolidates, independent producers and workers face shrinking budgets, compressed production timelines, and reduced compensation across development, production, and post-production.⁶
- **Loss of long-term revenue and IP participation.**
All-rights buyouts and IP lock-ins, already common in the streaming era, would become further normalized, cutting independent creators off from downstream revenue streams that historically supported sustainable careers and small businesses.
- **Reduced career pathways.**
Fewer commissioning outlets, less opportunities to pitch projects, shorter production cycles, and limited theatrical windows result in fewer employment opportunities across the creative and technical workforce, including writers, performers, crew members, post-production professionals, and other cultural workers, undermining career continuity, skills development, and long-term workforce sustainability.
- **Increased shelving and non-release of completed works.**
Recent mergers have resulted in the cancellation, write-off, or burial of completed and near-completed films and series. This practice undermines both competition and the public's access to cultural works.

⁴ A monopsony harm recognized under the Clayton Act and previously upheld in the blocked Penguin Random House's acquisition of Simon & Schuster (U.S. v. Bertelsmann, 2022).

⁵ DOJ–FTC Merger Guidelines (2023).

⁶ Writers Guild of America West, "Broken Promises: Media Mega-Mergers and the Case for Antitrust Reform," December 2021, https://www.wga.org/uploadedfiles/news_and_events/public_policy/broken-promises-merger-report.pdf

Likely Harms to Main Street Theaters, Regional Film Festivals, and Local Economies

- Independent cinemas and film festivals are “Main Street” cultural institutions that function as small businesses and community hubs, particularly in small towns and rural areas. They rely on access to diverse film catalogs, including repertory titles and independent releases, to remain financially viable.⁷
- Further consolidation of studio and streaming control threatens these access points, reducing programming diversity and weakening the economic ecosystems that theaters and festivals sustain. The resulting loss of foot traffic affects surrounding restaurants, retail businesses, and local employment.

Cultural and Democratic Stakes

- Beyond economic harm, concentration of media ownership raises profound cultural concerns. When control over production and distribution is narrowed, fewer stories are told, fewer perspectives are represented, and risk-averse decision-making becomes dominant.
- Independent film has long played a critical role in documenting American life, elevating underrepresented voices, and supporting civic dialogue. Further consolidation threatens this function by prioritizing scale, predictability, and franchise logic over diversity, experimentation, and public value.

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For the reasons outlined above, the Future Film Coalition urges the Subcommittee to:

- Closely scrutinize any proposed Warner Bros. transaction under existing antitrust law;
- Fully assess impacts on labor markets, independent suppliers, local economies, and downstream competition;
- Examine the cumulative effects of vertical integration in streaming markets; and
- Consider structural remedies and policy interventions that restore competitive balance and protect audiences, industry workers, and local communities.

FFC appreciates the Subcommittee’s leadership in examining consolidation in digital media markets and stands ready to serve as a resource as the Committee evaluates the real-world consequences of this proposed transaction.

⁷ Art House Convergence (AHC) Annual Report & Industry Insights on Repertory Programming and Audience Development (2022–2024), <https://arthouseconvergence.org>.