

# The Paramount–Warner Bros. Merger: *What It Means for the UK*

## THIS IS NOT A DONE DEAL: UK REGULATORS CAN STILL STOP IT

Paramount, the Hollywood studio newly controlled by the Ellison family, wants to buy Warner Bros. Discovery (WBD). If the purchase goes through, one heavily indebted company will control a large part of the UK's film and premium television. It would also hand a close ally of Donald Trump power over irreplaceable news archives—the very footage journalists and documentary makers use to hold the powerful to account, along with the news and sport that the UK's creative economy depends on. The deal's design forces deep cost-cutting: lost jobs, fewer films, less money for independent producers. The good news is that nothing is locked in, and the UK has the legal muscle to say no.

### WHO CAN STOP IT—AND HOW

Two UK authorities hold real power. The first is the competition watchdog, **the CMA (Competition and Markets Authority)**. It can block the deal outright or force the company to sell off enough of its business to keep genuine rivals alive in each market. It can also refuse the Ellisons' promises about how it will behave after the deal closes, promises that earlier media mergers proved easy to break and almost impossible to police.

Separately, the government's **DCMS Secretary** can step in to protect press freedom and a healthy mix of news voices, and the bar for doing so sits deliberately low.

### WHY THE DEAL FORCES CUTS

The buyers value Warner Bros. Discovery at \$111 billion and would take on roughly \$84 billion in debt, much of it financed by autocratic Middle Eastern sovereign wealth funds.

To pay down that debt, Ellison is promising investors about \$6 billion in “synergies”, three times what they promised a year earlier. In film and television, savings that large come from only three places: **job cuts, making fewer films, and buying less work from independent producers.**

### THE CUTS HAVE ALREADY BEGUN

To reduce its existing debt from the prior merger, WBD cut its film group by 10% in July 2025; and Paramount made around 2,000 staff redundant from late October 2025. **WBD employs a significant British workforce, which would be impacted by any restructuring.**

Ellison has pledged that the two studios will release 30 new films each year—roughly one every twelve days—with the entity's titles fighting each other for screens and attention. **These promises won't hold.**

### HIGHER COSTS FOR SPORT AND TV

One owner would control the Champions League, much of the Premier League and FA Cup, two tennis grand slams, all three cycling grand tours, the Olympics through 2032 and more, leaving Sky as the only real rival. **Households already spend around £68–72 a month on subscriptions, and this kind of consolidation pushes prices higher.**

### THE HIT TO UK FILM & TV

UK film and TV are thriving: £6.8 billion spent on production in 2025 (up 22%), more than 180,000 jobs, and about £12 billion a year for the economy. But the industry leans heavily on a handful of US studios. Shrink the US side and the UK side shrinks with it.

- **Lower pay, fewer jobs.** Research on mergers finds the bought-out company often loses more than half its staff within two years, with replacements who are younger and paid about 11% less.
- **Fewer films reach UK screens.** When Disney bought Fox and when Discovery absorbed WarnerMedia, both cut their film slates and shelved finished movies.
- **You pay more for less.** Fold HBO Max and Paramount+ into one service and there's less pressure to keep prices down so subscriptions climb, and households increasingly pay extra for the HD, ad-free viewing that used to come as standard.
- **Independent producers lose leverage.** If HBO Max and Paramount+ merge, that leaves fewer companies competing to commission UK productions.

### WHY DEMOCRACY IS AT STAKE

- **Trump cronies will control irreplaceable archives.** The CNN and CBS news libraries—over four million clips spanning 45 years—are among only a handful in the world. One Trump-aligned owner could limit access, raise prices or attach editorial strings.
- **Loss of neutral, unbiased news.** CNN and Channel 5 News would answer to the same owner, who reportedly told Trump he would make “sweeping changes” to CNN.
- **Fewer new stories and new voices.** Consolidation squeezes out films on difficult or controversial subjects, and preferences homogenized content from established makers.
- **Autocratic governments will have substantial influence.** Government-controlled investment funds from autocratic countries in the Middle East would hold 38.5% of the merged company, giving foreign states a major financial interest in a business that shapes UK news.

### THE BOTTOM LINE

This deal will make UK audiences pay more for less variety; it will lead to job losses across the UK film and TV industry; it will place news and content production in the hands of Trump-aligned radical owners; and it will destroy the market for independent films. UK regulators still hold the power to act, and they can use it.