

# Proposed Acquisition of WBD by Paramount

AS OF FEBRUARY 27, 2026

FOR WPP & CLIENT AUDIENCES ONLY

# Overview of the Paramount Proposed Acquisition of Warner Bros. Discovery

- Warner Bros. Discovery (WBD) accepted a revised all-cash bid from Paramount at \$31 per share (~\$111B USD) for the entire company, superseding Netflix's previous offer of ~\$82.7B for WBD's streaming and studio assets. Netflix formally declined to match, ending its pursuit as reported by Bloomberg. Paramount had agreed to pay the \$2.8B termination fee that WBD would have otherwise owed Netflix for exiting their prior agreement.
- Paramount has agreed to a \$7B regulatory termination fee if the deal fails to receive regulatory approval, plus a \$0.25/share quarterly "ticking fee" beginning after September 30, 2026, should the transaction remain unclosed, reflecting the significant regulatory scrutiny the deal continues to face.
- According to CNBC, the deal is not yet finalized. A WBD shareholder vote is scheduled for March 20, and both parties will need to agree on and release detailed deal terms.

**For now, below are the key takeaways:**

## WBD PRIOR STRATEGIC PLANS IN QUESTION

- Prior to the news, WBD had been planning to split into two entities by mid-2026:
  - Warner Bros. (Streaming and Studios divisions)
  - Discovery Global (Global networks)
- WBD CEO David Zaslav had confirmed the separation was on track for April.

## DEAL CONTEXT

- In 2023, Paramount and WBD reportedly discussed a potential merger, but it did not materialize.
- Skydance's \$8B merger with Paramount closed in August '25, with FCC approval in late July.
- The Ellison family, led by Oracle co-founder Larry Ellison, was instrumental in the Paramount deal.

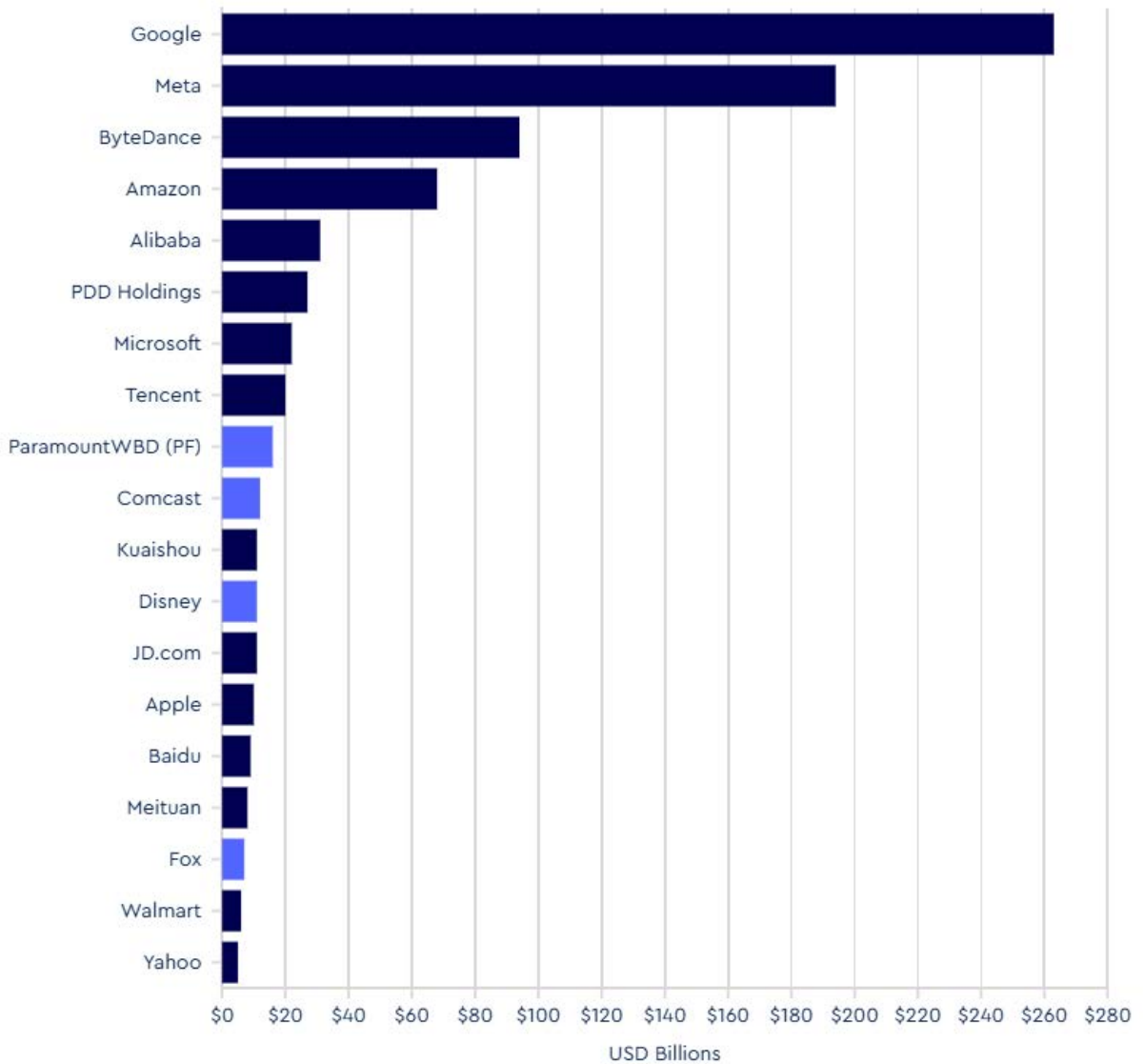
---

## INDUSTRY IMPLICATIONS

- Combined advertising revenue for the two entities (\$16.4 billion in 2025) would make the new company the largest legacy media player, well ahead of Comcast (\$12.1), Disney (\$11.0), and Fox (\$7.0). In 2025 terms, the combined entity would have been the 9th largest global seller of advertising, behind Tencent, representing 1.4% of global ad revenue, or 9.8% of global TV ad revenue. It would have been the fifth largest excluding China-based companies. In the U.S., the combined company would have represented more than 20% of U.S. TV ad revenue.
- The increased scale (and apparent appetite to invest in sports rights, following the \$7 billion acquisition of UFC rights) would likely help the combined entity compete with Netflix, Amazon, Comcast and Disney for sports programming that has been key to audiences and advertisers.
- The merger could, by potentially combining HBO Max and Paramount+, allow the new entity to better compete with Netflix, Prime Video, Peacock, and Disney+/Hulu. That said, both Paramount and WBD have lagged their peers historically in viewership and innovation for respective streaming services.
- It would likely offer consumer cost savings but may reduce marketplace choice, making the streaming market resemble the traditional TV industry with fewer major players. This could be a point of concern for regulators involved with approving any acquisition.

# Top 20 Global Ad Sellers – 2025

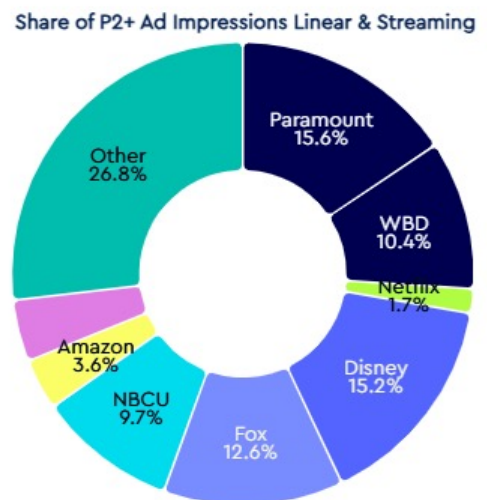
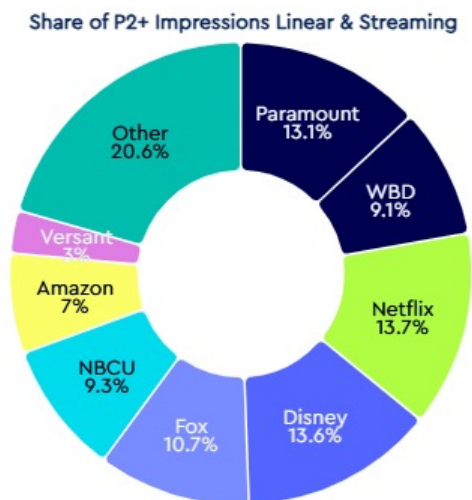
Current estimates including Pro Forma Paramount+WBD



Source: WPP Media, Company Filings

## U.S. TV Audience Share

Linear & Streaming



Source: WPP Media, Nielsen • 9/29/25 – 2/8/26  
Includes WPP Media Estimated Ad Supported Factors

# Sports Media Highlight



## SPORTS RIGHTS

- The combined entity would unite CBS (Paramount) and TNT Sports (WBD), creating one of the largest sports rights portfolios in the U.S.
- **CBS/Paramount:** NFL, The Masters, PGA Championship, PGA Tour, Big Ten Football and Basketball, Champions League, Europa League, Serie A, WNBA, NWSL, and all UFC events (starting next year).
- **TNT/WBD:** MLB (two playoff rounds), NHL (half of national games, split with ESPN including playoff coverage part of the Stanley Cup rotation), some Big 12 football and basketball (sublicensed from ESPN), two first-round *College Football Playoff* games (sublicensed from ESPN), a NASCAR package, the French Open (Roland Garros), Big East basketball, AEW (All Elite Wrestling), the Unrivaled basketball league and Bleacher Report
- **Both:** Full rights to the men's NCAA basketball tournament, as well as NCAA's streaming app *March Madness Live* and *NCAA.com*
- The merger would create a dominant sports broadcaster, rivalling Disney in rights breadth.
- The entity would control or influence nearly all major U.S. sports except the NBA, Olympics (in the US), and the SEC
- This consolidation could reshape sports media, offering unmatched scale but raising potential antitrust concerns and reducing market competition.

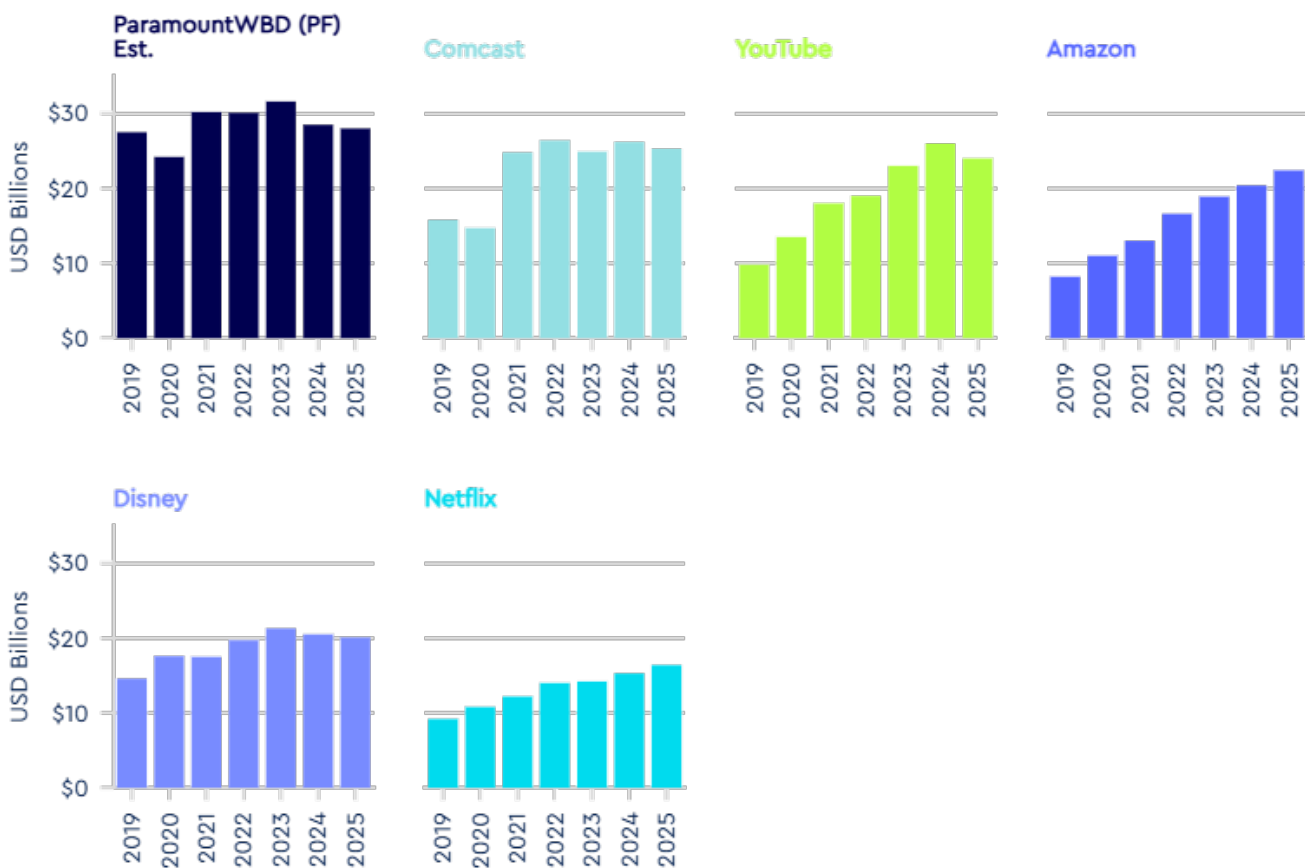
## PARAMOUNT TO CREATE NEW SPORTS ENTERTAINMENT DIVISION

- Paramount is also looking to carve out a bigger piece of the sports media business by creating a new division within the company to help it do so: Paramount Sports Entertainment.
- Paramount Sports Entertainment is meant to complement CBS Sports with the two expected to collaborate on projects.
- CEO David Ellison says that Paramount Sports Entertainment will produce scripted and unscripted programming for its own platforms as well as third-party media companies and streaming services, while also developing sports-focused interactive games and experiences.
- The division will work with athletes, creators, leagues and brands in the pursuit of that programming and entertainment.

# Content Spend by Media Owner

## Pro forma for Paramount and WBD potential combined entity

■ ParamountWBD (PF) Est. 
 ■ Comcast 
 ■ YouTube 
 ■ Amazon 
 ■ Disney 
 ■ Netflix



Source: WPP Media, Company Filings • Amortized Costs excluding cable carriage & retransmission fees  
 Amazon and YouTube costs include music, ParamountWBD 2025 figure is based on internal estimates



## AUDIENCE SHARE CONSIDERATIONS

- If the acquisition is approved, the combined company would represent roughly a quarter of Linear & Streaming advertising impressions in the U.S. (551 billion out of 2,127 billion).
- The new entity would represent 50 networks (including three CNN nets) and two syndicators.
- It would offer significantly greater scaled reach with a 25.9% share of ad-supported impressions (across linear and streaming), compared with the more limited 12.1% delivered by the prior Netflix/WBD construct.
- If we assume that the new entity would want to or need to divest CNN, then the audience share would fall just below one third in 24/25 broadcast year terms.

## REGULATORY CONSIDERATIONS

- An acquisition of WBD would likely not require FCC approval, as WBD does not hold broadcast licenses.
- The deal could face scrutiny from the Department of Justice's Antitrust Division due to its potential impact on competition by combining two legacy studios.
- Political factors may influence regulatory review, especially given Warner Bros. Discovery's ownership of CNN. A divestiture of CNN could be a possibility.

---

### CONTRIBUTORS

<b>Jeff Foster</b>	<b>Rachel Falco</b>
<b>Kate Scott-Dawkins</b>	<b>Matt Denerstein</b>
<b>Marty Blich</b>	<b>Jess Brown</b>
<b>Drew Bobcheck</b>	<b>Justin Bennett</b>
<b>Michael Borone</b>	<b>Bhoomi Shah</b>

*For questions, please reach out to*  
[business.intelligence@wppmedia.com](mailto:business.intelligence@wppmedia.com)



# Proposed Acquisition of WBD by Paramount

## *A Canadian Perspective*

MARCH 19, 2026

FOR WPP & CLIENT AUDIENCES ONLY

# A Canadian Perspective

## THE MARKET TODAY

Achieving effective content distribution across Canada, Warner Bros. Discovery (WBD) and Paramount strategically partner with Canadian broadcasters, foregoing standalone linear TV stations. WBD's approach includes significant rights deals with two primary broadcasters:

- Rogers Sports & Media is the exclusive English rights holder, distributor, and advertising representative until 2032. Television channels featuring WBD content (among other programming) include Discovery, Discovery ID, HGTV, Food, and Magnolia Networks. Rogers also represents all Discovery+ streaming services.
- Bell Media holds exclusive representation rights to the streaming platforms HBO and HBO Max (through Bell's Crave OTT service) under multi-year agreements.

Despite lagging major streaming players in Canada (such as YouTube, Prime Video, Netflix, and Disney+), Paramount+ has experienced accelerated growth, tripling its active user base over the past three years. This surge is largely attributable to recent content additions, and a potential agreement with WBD could propel Paramount+ into the top 10 Canadian streaming options

## POSSIBLE IMPLICATIONS

Rogers and Bell Media both hold exclusive, long-term content deals for WBD assets, and it remains uncertain how a Paramount takeover would affect Canada's current content distribution structure. Even existing Paramount+ initiatives, such as its recent acquisition of UFC streaming rights, could have an impact if Paramount opts to expand those rights beyond U.S. borders.

## APPROVALS

The WBD board is scheduled to meet on March 20, 2026, for final approval of the sale. Subsequently, the FCC would be next in line for regulatory consent in the U.S. From a Canadian perspective, the CRTC (the Canadian regulatory body) would then need to assess compliance with Canadian regulations and laws. With Canadian interests at the forefront, the CRTC may seek to impose very specific regulations that would require adherence.

	2025 Global Box Office	2025 NA Box Office	2025 NA Box Office Shares (5 top 5)	2025 With Proposed WBD Takeover
Warner Brothers	\$4.4B	\$1.9B	26%	0%
Universal	\$3.89B	\$1.79B	24%	24%
Disney	\$6.58B	\$2.49B	34%	34%
Sony Pictures	\$1.47B	\$0.610B	8%	8%
Paramount	\$1.42B	\$0.553B	8%	34%



---

**CANADIAN CONTRIBUTORS**

**Trevor Clark**  
**William Soraine**  
**Charu Verma**

*For questions, please reach out to*  
[business.intelligence@wppmedia.com](mailto:business.intelligence@wppmedia.com)