



## **Bectu Submission to the CMA: Paramount/Warner Bros. Discovery Merger Inquiry**

*Bectu, a sector of the Trade Union Prospect, represents around 40,000 members in non-performing roles across the creative industries. Our members, around half of whom are freelancers, work in film, TV, theatre, live events, fashion, gaming and cinema.*

Continuing consolidation within the creative industries is worrying for anyone who values competition and diversity of voice and content in the media. High levels of media ownership concentration risks the homogenisation of content, the erosion of independent production, and reduced space for minority and challenging voices.

There is a very real danger that the industry is becoming too skewed towards large studios and streamers, leading to the loss of much of the UK's unique and distinctive output. This merger is likely to lead to more in-house production and globally scalable formats, reducing opportunities for smaller UK-based producers and limiting experimentation in form, genre and perspective.

Experience following the Disney-21st Century Fox merger illustrates how large-scale consolidation can accelerate existing industry trends towards vertical integration, centralised commissioning decision-making and the prioritisation of globally exploitable IP. These changes are often framed as efficiency gains, yet over time they disadvantage independent producers, narrow the supplier base and reduce creative risk taking that are hard to reverse.

Over time, this can result in a more uniform media landscape, with fewer entry points for new talent and a diminished capacity to reflect the social, regional and cultural diversity of audiences. As acknowledged in the industrial strategy British cultural exports are a key economic driver and must be protected.

And this does not just impact production but would also reduce competition and result in fewer films screening in cinemas.

BFI data from 2025 shows how the UK and Republic of Ireland cinema market is highly concentrated at the top end, with the top 20 films alone accounting for 55% of total box office revenue (£557.5m of £1.01bn) in 2025. Within this concentrated market, Warner Bros is one of the single most dominant distributors. Warner released five of the top 20 films in 2025, including the highest-grossing title of the year, A Minecraft Movie (£56.9m), alongside Superman, F1 the Movie, The Conjuring: Last Rites and Sinners. Together these Warner releases generated £142.1m, equivalent to around a quarter of total top-20 revenue and approximately 14% of all UK/ROI box office revenue for 2025 releases. Paramount distributed one of the top-10 films of the year, Mission: Impossible – The Final Reckoning (£26.4m), accounting for roughly 5% of top-20 revenue and around 2.5% of total annual box office for 2025 releases.

A merger between Warner Bros and Paramount would further consolidate control over the films that drive UK box office revenue. This raises a clear risk that reduced competitive pressure between two major suppliers would lead to fewer releases, less slate diversity, and diminished choice for cinemas and audiences.

Cinemas have struggled to get back to pre-pandemic levels of box office takings and the merger would have a huge impact on the many cinema workers Bectu represents, but also local economies, with each of the UK's 850+ cinemas generating at least £600k of additional social value a year alongside the annual £1.18 million a year of market value in ticket and sales.

## **Impact on the workforce**

Industry consolidation is accelerating at a moment of acute fragility for the UK's screen industry workforce. The proposed Paramount / Warner Bros Discovery merger comes against a backdrop of sustained disruption in the screen industries, mounting job losses, and deepening insecurity across an already precarious labour market.

Creative workers are bearing the brunt of the ongoing screen industry slowdown. In the latest Bectu survey of over 500 workers, 39.5% of screen industry workers report that they are currently not working, only a marginal improvement on 2025 findings from Bectu's Big Survey, which found around 43% out of work across film and television. This follows a prolonged period of instability triggered by US industrial action, commissioning pauses, rising production costs and financial pressures on broadcasters.

Despite high headline production spend in previous years, work has not returned at a pace or scale sufficient to sustain the workforce. Nearly one in three creative workers now expects to have left the industry within five years, signalling a potential loss of skills, experience and future talent from the sector.

A consistent shortcoming of previous merger reviews has been the failure to account for the predominantly freelance nature of the creative workforce. Unlike salaried employees, freelancers absorb risk immediately through cancelled commissions, shortened production slates and reduced bargaining power making consolidation particularly destabilising in periods of downturn. We urge the CMA to consider the impact on the freelance workforce who hold up our creative industries in their assessment, alongside the ~4,000 Warner Bros. Discovery and ~1,000 Paramount employees in the UK.

## **Lessons from past mergers**

Experience from previous media mergers, including Disney-21<sup>st</sup> Century Fox, shows that commitments made at the point of merger on investment, plurality or production are often narrow, time-limited, and difficult to enforce. Even where remedies are accepted, they tend to focus on formal structures rather than the substance of commissioning, investment and creative decision-making, allowing market power to reassert itself once scrutiny recedes.

Past mergers such as Comcast-Sky have also shown how workforce impacts often lag behind regulatory approval, emerging through restructuring, commissioning slowdowns, consolidation of operations and the offshoring of decision-making. These impacts are rarely captured fully in merger assessments, as they can take place more gradually.

## **Beyond the screen sector**

Beyond the screen, the CMA should also interrogate how the acquisition could reshape the global theme park industry. Warner Bros. currently licenses major IP, including Harry Potter, and runs the hugely popular Warner Bros. Studio Tour London. Similarly, Warner Bros.' theatrical productions, including the internationally successful Harry Potter and the Cursed Child, are a vital part of the live entertainment ecosystem. This merger could squash competition and further consolidate control of cultural experiences under a handful of global players, reducing diversity in themed entertainment. Moreover, there is a risk that commercial priorities overshadow creative diversity, and the nurturing of new British stage works.

Against this context, further consolidation risks compounding both economic and cultural harm. Fewer major players with greater market power can mean reduced commissioning diversity, downward pressure on terms and conditions, and fewer entry points for independent producers and new voices. For a workforce already experiencing "feast or famine" employment patterns, consolidation increases exposure to sudden commissioning changes, cost-cutting and restructuring decisions made far from the UK labour market.