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Warner Bros. Bidding War, Paramount-Skydance Merger Headline an Active Year of Media M&A

Industry consolidation and dealmaking focused on building cross-platform scale will be major themes in 2026 and beyond, experts tell TheWrap

By [Lucas Manfredi](#) | December 24, 2025

After a sluggish start for M&A, dealmaking across the media landscape escalated in the back half of 2025, capped off by the frenzy over Warner Bros. Discovery in moves that could shake up the industry next year and beyond.

There were a total of 982 deals announced by media and telecommunications companies in North America during 2025, down from 1,176 deals in 2024, according to S&P Global Intelligence. Despite total deal values coming in lower in the first half of the year, M&A bounced back in the second half with September alone hitting a total of \$80.2 billion, compared to \$47.8 billion a year ago. And these figures don't include final tallies for December, when Netflix announced a massive \$82.7 billion



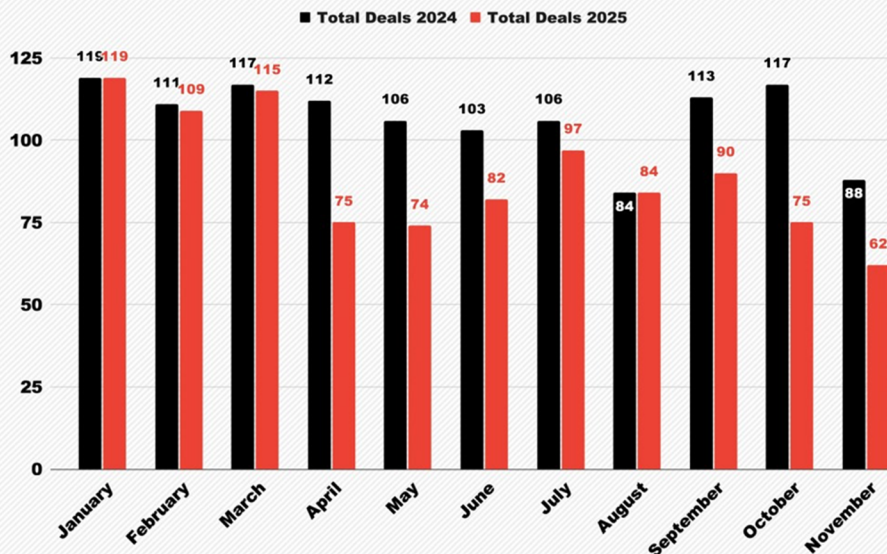
deal for Warner Bros. Discovery's studio & streaming assets.

"2026 should be a banner year for M&A if the current trends continue," PwC analyst Bart Spiegel told TheWrap. "With a more predictable macro-economic backdrop, we expect companies to put significant dry powder to work."

For Hollywood, the biggest takeaway in 2025 is that bigger bets are back.

There were a number of landscape-shifting deals that were either closed or announced during the year, including Lionsgate and Starz splitting apart, Omnicom and IPG's \$13 billion merger deal to

NORTH AMERICAN MEDIA AND TELECOMMUNICATIONS M&A ACTIVITY IN 2025



SOURCE: S&P GLOBAL INTELLIGENCE

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create an advertising giant and the long-awaited closing of Skydance and Paramount's \$8 billion merger, which transferred control of the legendary studio from the Redstone family to the Ellison family.

David Ellison hasn't stopped there, with Paramount Skydance also making an \$108.4 billion hostile bid for all of Warner Bros. Discovery in a last-ditch effort to thwart Netflix's deal. If Netflix's deal is approved, WBD's cable networks would be spun off into Discovery Global in the third quarter of 2026. That would follow Comcast's cable network spinoff Versant, which will officially become a standalone company in January.

Experts told TheWrap that Hollywood and media consolidation will be a major theme that continues into 2026 and beyond. Com-

panies will also continue to focus on building scale across multiple platforms, from TV and film to video games, sports and live experiences.

"Everybody's willing to test the limits to see how permissive 'permissive' can be in the current regulatory environment under Donald Trump," Lloyd Greif, president and CEO of investment bank Greif & Co, told TheWrap.

"When you see a deal like the WBD deal go down, it certainly makes it very clear that anybody's fair game," he added. **"Everybody's going to be watching carefully to begin to read the tea leaves on how the DOJ responds to Netflix, because that's going to be very indicative and informative."**

The Hollywood consolidation era

The Netflix-Paramount-WBD saga is just the latest domino in the consolidation of Hollywood and media.

On Monday, WBD said it would review Paramount's amended \$30 per share, all-cash offer, which includes a personal guarantee from Oracle co-founder Larry Ellison on \$40.4 billion of the bid's equity financing. As of Dec. 19, less than 400,000 of WBD's 2.48 billion outstanding shares have been tendered. The tender offer deadline has been extended to Jan. 21, with the option for an additional extension. Paramount would need to acquire at least 90% of outstanding shares to bypass board approval.

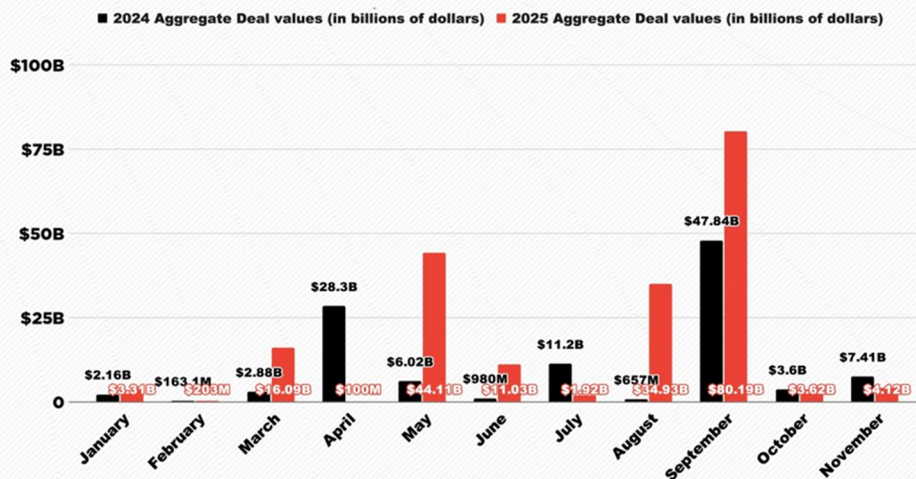
"Paramount still has a path, but it's a tougher one," Qualia Legacy Advisors managing director Aaron Meyerson told TheWrap. **"They'd have to get aggressive on price to compete with Netflix's scale advantage."**

Though Paramount can still raise the price of its bid, Netflix has the right to match any counter-offer.

"I wouldn't expect [a new Paramount bid] to be materially higher than where they are right now," Greif added. **"If this deal is ever in doubt from Netflix's standpoint, all they have to do is sweeten it and they certainly can sweeten it. This is Netflix's deal to lose and I don't think they have any intention of losing it."**

Despite the odds tilting in Netflix's favor, there are some con-

NORTH AMERICAN MEDIA AND TELECOM M&A DEAL VALUES



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cerns it could fail to secure regulatory approval or hurt the theatrical business if the deal is cleared. But Greif argued Netflix has pivoted its strategy before and predicted it would do “anything it takes” to get the deal over the finish line.

If Paramount ultimately fails, it could turn its attention to other companies, with some experts suggesting Lionsgate or NBCUniversal as potential alternatives.

“There’s no way owning Paramount is the end all,” Greif said. “They’re going to want to pick up another studio and that will cause further consolidation.”

Despite a “very high” bar for M&A, Comcast’s incoming co-CEO Mike Cavanagh has said the company would look at value-creating opportunities across the industry. In addition to bidding on WBD, Comcast has held talks about acquiring ITV for \$2.1 bil-

lion, suggesting it is more interested in being a buyer than a seller for now. Cavanagh has also said Comcast has a “damn good hand” already after losing out on Warner’s streaming & studio assets.

Homonoff Media Group founder Howard Homonoff told TheWrap he’s skeptical Comcast and Brian Roberts would part with NBCU anytime soon, especially given its upcoming “huge year” with its 100th anniversary, the Olympics, the NBA, the Super Bowl and the World Cup in 2026. “While over the longer term, it might make sense to spin out NBCU, I don’t think that’s going anywhere in the short term,” Homonoff said.

Lionsgate, which has long been viewed as an M&A target, has previously been pressured by activist investor Anson Funds to pursue an outright sale or asset sales follow-

ing its split from Starz. TheWrap previously reported that Legendary Entertainment was mulling a potential acquisition of Lionsgate back in July.

In an interview with CNBC, Lionsgate vice chairman Michael Burns declined to comment on the status of the talks with Legendary, but said the studio would be a “valuable asset” to “a lot of different companies” given its scale and library of premium content. He added that there are three or four companies that he believed would be a “great strategic alliance” with Lionsgate and generate cost savings, though he declined to elaborate. Additionally, Burns said the WBD bidding war validates the value of premium content, but emphasized that Lionsgate doesn’t “have a horse in the race.”

Meyerson believes Lionsgate will “carve off pieces before they ever sell the studio outright” and that Sony could make a play for pieces of its library. He also believes AMC Networks is “the most digestible U.S. studio asset for a FAST or AVOD buyer” and “closest thing to a plug-and-play acquisition in the market.”

One company that isn’t looking to do “major M&A” is Disney, even as Wall Street has long speculated it could sell itself to Apple. Instead, Disney has cut smaller deals, such as acquiring Comcast’s minority stake in Hulu, striking a deal for the NFL Network in exchange for giving the league a

10% stake in ESPN and combining Fubo and Hulu + Live TV. Though Disney CEO Bob Iger previously considered spinning off its linear networks, he later backpedaled and decided to keep the portfolio together.

Given their lack of appetite for WBD, Greif doesn't see Apple or Amazon trying to buy Disney. But he also doesn't expect either to stay on the sidelines forever, arguing the tech giants may need to cut deals in the future to bolster their streaming businesses and continue to stay relevant in media and entertainment.

"You're either in or you're out and they're clearly in. In this business, standing still is actually going backwards," Greif said. "So why wouldn't they make a bolt-on strategic acquisition?"

Cable networks and local TV stations poised for dealmaking

In addition to the major media conglomerates and studios, smaller players in the linear TV network business may also look to cut deals.

S&P Global analyst Scott Robson predicted Versant and Discovery Global could merge, though that hinges on Netflix's WBD deal closing and both companies wanting to take on more linear TV exposure.

Versant has said it would pursue "disciplined and opportunistic" acquisitions in its four core areas: business & finance news, political news & opinion, golf &

athletic participation and sports & genre entertainment. Earlier this month, it acquired Indy Cinema Group and FAST channel provider Free TV Networks. It also has launched a strategic review of alternatives for the youth sports technology platform SportsEngine. If not Versant, Starz has also signaled its interest in "marooned" linear TV assets to help scale its business. Starz earlier this month made a play for Discovery Global and has eyed a possible acquisition of Lifetime and History Channel parent A&E Global Media, both of which have not progressed far.

Local TV station owners and pay TV operators are also looking to scale up, from Nexstar and Tegna's pending \$6.2 billion merger and Sinclair's unsolicited \$7 per share takeover bid for E.W. Scripps — both of which would be subject to the FCC or Congress lifting the 39% cap on national broadcast ownership or affiliate station divestitures — to Charter and Cox looking to combine in a \$34.5 billion merger. Veteran TV executive Evan Shapiro predicted DirecTV and Dish's "on-again-off-again love-hate relationship" could be reignited after their merger deal fell through earlier this year.

Private equity and AI are areas to watch

In addition to strategic players, private equity has signaled its willingness to be more aggressive with Hollywood dealmaking, whether it

be RedBird Capital Partners and Apollo Global Management teaming up with Paramount Skydance on its hostile takeover bid for WBD or TPG acquiring 100% of DirecTV from AT&T.

Silver Lake also closed a \$25 billion deal to take Ari Emanuel's Endeavor Group Holdings private, will join an investor consortium that will control 45% of TikTok's U.S. operations starting next month and is joining Saudi Arabia's Public Investment Fund and Jared Kushner's Affinity Partners on a \$55 billion deal to take Electronic Arts private in 2027, which would be the largest leveraged buyout in history, if approved.

Another emerging area to watch will be how artificial intelligence's expansion into Hollywood impacts dealmaking. Disney made a splash by taking a \$1 billion stake in OpenAI alongside a deal to license its characters for its AI video model. Wharton School of Management assistant professor Paul Nary predicted similar partnerships in 2026 and beyond and didn't rule out the possibility of AI and media companies striking larger deals together.

"We've got litigation out there and the whole entertainment community up in arms, but I do think it's inevitable," Greif added. "You can't stop progress. Somebody who stands in the way of that is bound to look like a steamroller hit them. So that'll continue to drive M&A activity."