3 July 2026

By email

[redacted]
Director, Media & International
Media & International Directorate
1st Floor, 100 Parliament Street
London SW1A 2BQ

Re: Proposed Acquisition of Warner Bros. Discovery by Paramount Skydance Corporation – Representations and Assurances in Response to Letter dated 30 June 2026

Dear [redacted],

With respect, I refer to the letter of 30 June 2026 (the "**Minded-to Letter**") in which you set out that the Secretary of State for the Department of Culture, Media & Sport ("**DCMS**") is currently considering whether to issue a public interest intervention notice ("**PIIN**") in relation to the proposed acquisition of Warner Bros. Discovery ("**WBD**") by Paramount Skydance Corporation ("**Paramount**") (the "**Transaction**").

This letter addresses the issues raised in your letter and sets out Paramount's representations and assurances addressing the public interest considerations that you have identified. The assurances set out below build upon, and are consistent with, those provided in my letter to the Deputy Director for Television Policy at DCMS dated 31 March 2025, my letter to the Secretary of State for DCMS dated 26 January 2026 and Paramount's response to DCMS's questions dated 31 March 2026.

In addition, Latham & Watkins LLP will provide a letter on behalf of Paramount, which sets out our view that there is no statutory basis for issuing a PIIN in relation to the Transaction, though as this letter suggests, we are respectful and appreciate the concerns you have expressed.

Paramount addresses each of the specific concerns raised in the Secretary of State's Minded-to Letter in turn.

1. Plurality of media enterprises and on-demand programme services

In the letter, the Secretary of State has raised a potential concern regarding the plurality of persons with control of media enterprises providing on-demand programme services serving UK audiences. Paramount offers the following representations and assurances in response.

1.1 Editorial independence and children's content. In the combined company, we hereby commit that each service will retain its distinct editorial identity. In particular, the children's channels, principally Nickelodeon (and its associated services Nick Jr. and Nicktoons) and Cartoon Network, will maintain distinct editorial identities and will continue to commission and acquire original UK children's content.

1.2 Channel 5: commissioning, scheduling and PSB contribution. We further recommit to you that Channel 5 will continue to operate as a Public Service Broadcaster ("**PSB**") fulfilling all of its obligations under the Communications Act 2003. As confirmed in my letter to DCMS of 31 March 2025, Paramount not only intends to comply with its PSB licence commitments but <u>to build on Channel 5's success</u> in recent years, including delivering a range of high-quality and diverse content to UK audiences. I reaffirmed this in my letter to the Secretary of State dated 26 January 2026, stating that Paramount is "*fully committed to [Channel 5's] future and to the unique, socially focused role it plays within the PSB ecology.*"

Paramount's most recent long range growth plan for Channel 5 is committed to allocating an additional £80 million for the funding for news, original children's programming and an additional 20 hours of drama per annum, over the next three years (2027-2029). We have no intention to change Channel 5's commissioning strategy, scheduling approach, news provision, UK origination levels, children's content, or broader PSB contribution as a result of the Transaction. Paramount intends to maintain a diversity of voices with a separation of identities within the merged entity that can reach as many different consumers in the UK as possible. This is also in the economic interests of the combined company. Specifically:

(a) ***Commissioning strategy***: We commit that Channel 5's commissioning strategy will remain focused on UK audiences and will continue to prioritise UK-originated content, including original drama, factual and entertainment programming. There is no intention to replace UK commissions with acquired international content.

(b) ***Scheduling***: Further, Channel 5's schedule will continue to reflect its PSB remit and serve a broad UK audience, including the provision of high-quality news, children's programming, and a range of original UK content across peak and off-peak hours.

(c) ***UK origination***: It is also important to note that Channel 5 significantly exceeds its quotas for originated content – which accounted for 83% of its peak-time schedule in 2025 (against a licence requirement of 45%). Paramount also commits to continue to exceed, its UK origination quotas as set by Ofcom and to meaningfully growing Channel 5's investment in original British programming, with a particular focus on increasing spend on UK-originated drama, factual and entertainment content. The Transaction presents an opportunity to bring additional resource and ambition to Channel 5's British commissioning, and Paramount intends to build on Channel 5's recent creative momentum to establish it as a stronger and more distinctive voice in the UK PSB landscape.

(d) ***News provision***: Channel 5 also commits to continue to provide regular high-quality news programming in accordance with its licence obligations, as set out in Section 2.1. below.

(e) ***Children's content***: Channel 5's *Milkshake!* children's programming block will continue to operate, providing UK children's content. Paramount does not plan to reduce the number of UK-originated children's broadcast hours below 600 hours per year. There is no intention to reduce, consolidate or discontinue *Milkshake!* as a result of the Transaction.

(f) ***PSB licence requirements***: Channel 5's broader public service broadcasting contribution – including investment in original UK content, regional production, and its obligations to serve diverse audiences will be maintained and grown. Channel 5 already significantly exceeds its licence requirements for originated UK content and regionally produced content. Paramount commits not merely to preserve Channel 5 as it stands, but to invest in and build it as a genuinely competitive and creative PSB, better resourced to serve UK audiences and contribute positively to the UK's creative sector. Paramount is also open to exploring partnerships with other public service broadcasters where these would serve the interests of UK audiences and strengthen the broader PSB ecology, including potential co-commissioning arrangements or shared infrastructure where mutually beneficial.

1.3 No consolidation of existing linear services with Paramount+ or HBO Max. Beyond the announced combination of the HBO Max and Paramount+ streaming platforms (addressed in Section 3 below) to better compete against existing technology giants, Paramount does not plan to consolidate any of its linear channels with the on-demand services operated by Paramount and WBD in the UK. A full list of Paramount's linear channels in the UK was provided to DCMS in Annex 1 of Paramount's letter dated 31 March 2026. As confirmed in Paramount's response to DCMS dated 31 March 2026, Paramount currently has no plans for material changes to the linear TV channels and on-demand services operated by WBD insofar as they relate to the UK. Paramount commits that these services will continue to offer a breadth of genres — drama, entertainment, factual, children's, news, and sport — serving the diverse interests of UK audiences. We are proud that the new company will be one that spends more than [redacted] each year on UK content across its services, investing in British storytelling that appeals to both local and global audiences.

2. News plurality and editorial independence

Paramount addresses the questions raised regarding plurality of views in UK news media as follows.

2.1 Channel 5 News. Paramount commits that Channel 5 News will maintain its editorial independence. Its news programming is produced by ITN under a long-standing contract pursuant to which ITN has day-to-day editorial control over news programming including selection and running of stories, content and presentation of stories and journalistic standards and judgments. ITN's editorial decisions are made independently of Channel 5's owner, and the existing contractual safeguards ensure that ITN retains responsibility for editorial judgments, compliance with the Ofcom Broadcasting Code, and the accuracy and impartiality of news output. The Transaction will not alter these arrangements. We further commit that Channel 5 News's editorial direction will remain entirely separate from CNN and CBS News.

2.2 CNN International. CNN International will continue to be available in the UK and will operate as a distinct news service, maintaining its separate editorial identity from Channel 5 News. Paramount has no intention of ceasing, reducing, or rebranding CNN International's UK broadcast, or merging its programming with that of Channel 5 News. CNN International's editorial governance will continue through its existing leadership structure, independent of the editorial structures governing Channel 5 News.

2.3 ***News Archives***. We also appreciate the potential issues you raise related to News Archives. Paramount hereby commits to ensure continued access to both the CNN and CBS (as well as Channel 5) news archives for bona fide licensees on standard commercial terms. There is no intention or incentive to restrict access to, prohibitively price, or editorially gatekeep historical footage held in either collection. Archive access is currently governed by established commercial licensing practices, under which third-party producers, broadcasters and educational institutions may license footage subject to standard rights-management constraints. We commit that these practices will continue unchanged following the Transaction.

3. The combination of HBO Max and Paramount+ — a pro-competitive step

The Secretary of State's letter characterises the announced combination of HBO Max and Paramount+ as a potential further loss of diversity. Paramount respectfully submits that this combination is, on the contrary, a pro-competitive development that will be positive for diversity.

The combined entity will be a credible fourth SVOD competitor behind the dominant service of Netflix, as well as the powerful Amazon Prime Video, and Disney+/HULU, with the new company having an approximately [redacted] of supply in the UK — which will be enhancing choice and intensifying competition in a market dominated by the current three incumbents. The combined content library will roughly double, to over 3,000 film titles and 2,500 television titles. Total studio content spend is projected to rise from [redacted] in 2025 to [redacted] by 2031.

Multiple competition authorities across the globe who have reviewed this transaction over the past 7 months have concluded the same and the US Department of Justice's Antitrust Division concluded that the combination "*will increase competition across the media and entertainment ecosystem*" by allowing the merged entity to offer a "*more robust competitive alternative*" to dominant platforms like Netflix, Amazon and Disney.[1]

The combination does not reduce the overall plurality of SVOD providers available to UK audiences. Consumers will retain access to services from Netflix, Amazon, Disney+, Apple TV+, and others. A stronger fourth competitor enhances, rather than diminishes, competition in the UK streaming market to the benefit of consumers, U.K. creative talent and workers in the entertainment space.

4. Operational efficiencies and editorial independence

As with any transaction of this nature, opportunities to improve operational efficiencies and effectiveness may be identified over time. These may include the consolidation or combination of certain back-office functions, technology stacks, legal, financial and platform delivery and other non-editorial operational arrangements, where this serves the interests of efficiency and audience. Paramount wishes to make clear that any such measures will be kept entirely separate from editorial and content decisions, and will in no way diminish the breadth, quality or diversity of content available to UK audiences. In fact, providing the breadth, quality and diversity of content

[1] https://www.justice.gov/opa/pr/statement-department-justice-antitrust-division-closing-its-investigation-merger-paramount

is essential for us to realize our growth and to effectively compete in the market. Specifically we also commit:

(a) ***Editorial independence***: No operational efficiency measure will affect the editorial independence of any channel or service. Editorial and commissioning decisions will continue to be made by the respective editorial leadership of each service.

(b) ***Quantity and range of output***: Operational efficiencies will not result in any reduction in the quantity of content commissioned or the range and diversity of genres offered across the portfolio of services.

(c) ***Plurality***: Operational efficiencies will not result in any merger of Channel 5 editorial functions, any reduction in the number of distinct services, or any diminution in the plurality of persons with editorial control over media enterprises serving UK audiences.

5. Conclusion and summary of representations

By this letter, Paramount has set out representations and assurances – building upon and consistent with its prior submissions to DCMS – demonstrating that: (i) the merged entity's children's channels, notably Nickelodeon and Cartoon Network, will maintain distinct identities and will continue to commission and acquire original children's content; (ii) Channel 5 News will maintain full editorial independence through its commissioning of news programming in accordance with its PSB licence; (iii) Channel 5's PSB contribution, commissioning strategy, and children's content will be maintained and built upon, with a specific commitment to grow investment in original British programming and to actively develop Channel 5 as a stronger, better-resourced PSB; (iv) CNN International will continue to be available in the UK and operate as a distinct news service, separate from Channel 5 News; (v) continued access to the CNN and CBS news archives will be maintained; (vi) beyond the announced Paramount+ and HBO Max combination, there are no current plans to consolidate linear channels with the on-demand services operated by Paramount and WBD in the UK; (vii) Paramount is open to exploring co-commissioning and other partnership arrangements with fellow PSBs where these serve UK audiences; and (viii) any operational measures will not affect editorial independence, content output or plurality.

On the basis of these representations and assurances, Paramount respectfully submits that the Secretary of State's public interest concerns are sufficiently addressed and that a PIIN is not warranted.

I would welcome the opportunity to discuss these matters further at the Secretary of State's convenience in person or via video conference.

Yours sincerely,

David Ellison
Chief Executive Officer
Paramount Skydance Corporation