Paramount Makes Hostile Bid for Warner Bros. Discovery

The offer to shareholders comes days after Warner Bros. agreed to sell its streaming and studio business to Netflix.



By Benjamin Mullin, Lauren Hirsch and John Koblin

Dec. 8, 2025

Paramount on Monday mounted a hostile takeover bid for Warner Bros. Discovery, a brazen attempt to secure a Hollywood prize snatched away by Netflix last week.

Netflix announced an $83 billion deal to buy a big part of Warner Bros. Discovery on Friday, in an agreement approved by the boards of both companies. In a news release on Monday, Paramount went around the Warner Bros. Discovery board and straight to shareholders with what it called a superior offer.

Paramount said it would pay $30 per share in cash, valuing the company at around $108 billion, including debt. It said it was going to shareholders because the board of Warner Bros. Discovery is “pursuing an inferior proposal” that would lead to “a challenging regulatory approval process.”

Paramount has offered to buy all of Warner Bros. Discovery, including the Warner Bros. movie studio, the HBO Max streaming service and a portfolio of cable channels including CNN. The cable channels are not part of the Netflix deal.

“We believe our offer will create a stronger Hollywood,” David Ellison, the chief executive of Paramount, said in a press release. “It is in the best interests of the creative community, consumers and the movie theater industry.”

In a statement, Warner Bros. Discovery said it had received the bid and would respond within 10 business days, advising shareholders not to take any immediate action. Still, it said the hostile bid had not brought about any immediate changes.

“The board is not modifying its recommendation with respect to the agreement with Netflix,” the statement said.

Paramount's hostile takeover attempt is the latest in a series of increasingly strident overtures to Warner Bros. Discovery in recent weeks. Just before Netflix announced it had struck a deal, Paramount sent a letter to David Zaslav, the chief executive of Warner Bros. Discovery, alleging that the company ran a "myopic" sale process that "favors a single bidder."

Warner Bros. Discovery said in a response that it "fully and robustly" complied with its obligations to shareholders. The company ran a weekslong bidding process that also drew interest from Comcast, the cable company that owns NBCUniversal.

Warner Bros. Discovery stock closed at $26 a share on Friday, after its deal with Netflix was announced. It rose nearly 5 percent on Monday morning after Paramount announced its hostile bid, to $27.30 a share.

A key part of the assessment for shareholders will be whether they expect regulatory authorities to approve the transaction. The deal between Netflix and Warner Bros. Discovery would include the Warner Bros. movie studio and HBO Max, enhancing Netflix's market power in streaming even more.

At the Kennedy Center Honors on Sunday, President Trump praised Ted Sarandos, the co-chief executive of Netflix, but noted that the company had a "very big market share," adding that he would be "involved" in the regulatory review. It is highly unusual for a president to have a direct say on major corporate deals, which are typically reviewed by independent regulators at a distance from politicians' input.

Another wrinkle that Paramount disclosed on Monday was that Affinity Partners, the private equity firm founded by Mr. Trump's son-in-law Jared Kushner, was lined up as an investor to back the offer.

On a conference call Monday, Mr. Ellison said that Paramount decided to take its offer directly to shareholders after Warner Bros. Discovery failed to respond to it last week. Mr. Ellison also said he told Mr. Zaslav that Paramount's proposal was not its "best and final" offer.

Mr. Ellison was also critical of Netflix's chance of getting the deal through regulatory review. The company has a big share of the streaming business, Mr. Ellison said, even if it might argue that the market for overall TV viewership is broader.

"Saying that streaming is not a market is a little bit like looking at the beverage market and saying that Coke and Pepsi can merge because Budweiser is a replacement to it," Mr. Ellison said.

Andy Gordon, the chief strategy officer at Paramount, said during the call that he valued the traditional TV channels owned by Warner Bros. Discovery — including CNN and TNT — at roughly $1 per share, substantially less than the value executives at Warner Bros. have put on those businesses.

Paramount has wrangled a large coalition of backers for its offer, including Affinity Partners, Mr. Kushner's firm, and sovereign wealth firms from the Middle East, including Saudi Arabia's Public Investment Fund and the Qatar Investment Authority. The Ellison family is "fully backstopping" the bid, Paramount said, essentially guaranteeing that the offer has the necessary money behind it.

Netflix executives came out swinging several hours after Paramount's bid, indicating that they would not back down. Mr. Sarandos said at a media conference that Paramount's "move was entirely expected."

"We're super confident we're going to get it across the line and finish," he continued.

Mr. Sarandos argued that their deal would protect entertainment jobs, contrasting that with Paramount's renewed offer that promised $6 billion in cost saving synergies if it closes its deal with Warner Bros. Discovery.

"Where do you think synergies come from?" he asked. "Cutting jobs. We're not cutting jobs. We're making jobs."

Mr. Sarandos also sought to once again reassure an anxious entertainment industry, expanding his commitment to keeping Warner Bros. movies in theaters. He said that the studio's success stories at the box office this year — "A Minecraft Movie," "Superman," "Weapons," "Sinners" — would be replicable under Netflix's ownership.

"If we did this deal 24 months ago, all those movies we saw this year do so well in the box office for Warner Bros. would have been released in the same way in theaters," he said.

"We didn't buy this company to destroy that value," he continued.

Netflix is expected to argue that regulators should consider its business as part of the much larger entertainment industry that also includes platforms like YouTube and TikTok, as well as tech giants like Amazon and Apple. The social media application Meta successfully made a similar argument defending itself against monopoly charges in a recent case.

If the deal falls through because of a failure to get the necessary approvals, Netflix would pay a $5.8 billion fee to Warner Bros. Discovery, according to documents filed with federal regulators. If it accepts a superior unsolicited bid from Paramount, or any other rivals, it would owe Netflix $2.8 billion, according to the documents.

Netflix's deal for Warner Bros. Discovery landed like a bomb in Hollywood, setting off fears that the streaming giant would eventually marginalize theatrical releases for one of the few remaining major film studios. Netflix has pledged to continue theatrical releases for movies from Warner Bros. Discovery, a significant development, but many in Hollywood are skeptical of the company's long-term commitment to theatrical distribution.

Hostile takeover bids are relatively uncommon at the top of the media industry, where cozy relationships among moguls and special classes of stock often make them impractical. But there is some precedent. Brian Roberts, the chief executive of Comcast, attempted a hostile takeover of Disney in 2004, as that company was embroiled in shareholder tumult. The bid was ultimately unsuccessful.

Benjamin Mullin reports for The Times on the major companies behind news and entertainment. Contact him securely on Signal at +1 530-961-3223 or at benjamin.mullin@nytimes.com.

Lauren Hirsch is a Times reporter who covers deals and dealmakers in Wall Street and Washington.

John Koblin covers the television industry for The Times.

A version of this article appears in print on , Section A, Page 1 of the New York edition with the headline: Paramount Attempts to Edge Out Netflix With Hostile Warner Bid