

# Global watch on culture and digital trade

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## **ONE IDEOLOGICAL AND FINANCIAL BATTLE AFTER ANOTHER: THE CONFRONTATION BETWEEN NETFLIX, PARAMOUNT, AND WARNER BROS**

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Analytical report, March 2026

The March report begins with Netflix which withdrew from its bid to acquire Warner Bros. Discovery (WBD), refusing to outbid Paramount Skydance's \$110 billion offer. Paramount, led by Ellison family, aims to merge WBD's studios, HBO Max, CNN, and CBS with its existing Skydance and Paramount assets, creating a global media powerhouse rivalling Netflix and Disney. In addition, in South Africa, Canal+ decided to shut down the streaming platform Showmax following its \$2 billion acquisition of MultiChoice. Despite acclaimed original productions, Showmax faced persistent losses, and the move seeks to prioritize financial sustainability. In Europe, the European Union (EU) is considering classifying the video-gaming service Roblox as a Very Large Online Platform (VLOP) under the Digital Services Act (DSA), potentially subjecting it to strict child protection rules. Meanwhile, the European Audiovisual Observatory reports that most theatrical films released in 2022 later appeared on TV or Video-on-Demand (VOD) services, highlighting the complementary role of streaming and broadcast in film distribution. Finally, Hollywood studios remain concerned about artificial intelligence (AI)-driven copyright infringement, with the Motion Picture Association (MPA) criticizing ByteDance's Seedance 2.0 for unauthorized use of films and celebrity likenesses, calling for stronger safeguards.



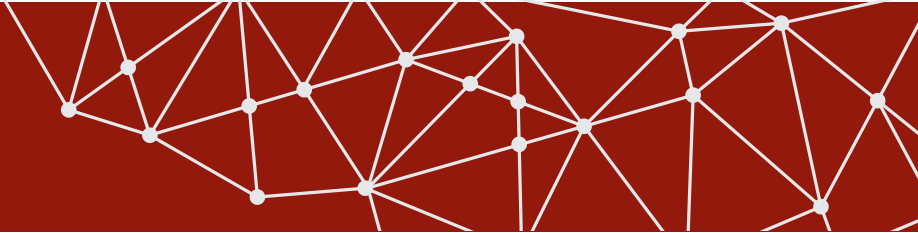
## Regulation issues, digital trade and culture

### **One ideological and financial battle after another: the confrontation between Netflix, Paramount, and Warner Bros**

Early March 2026, Netflix has surprised the entertainment industry by refusing to increase its \$83 billion offer for WBD, effectively handing victory to Paramount Skydance, led by David Ellison. Netflix co-CEOs Ted Sarandos and Greg Peters said the deal was “always a ‘nice-to-have’ at the right price, not a ‘must-have’ at any cost”, adding that matching Paramount’s higher \$110 billion bid would no longer be financially attractive. With Netflix stepping aside, Paramount Skydance is poised to reshape Hollywood by absorbing WBD, marking a rare instance of one major media rival acquiring another and creating a consolidated powerhouse with global reach. If approved, the merger would unite two historic Hollywood studios and their vast intellectual property libraries. Analysts cite Netflix’s falling stock, growing regulatory resistance in Washington, and the Ellisons’ determination and political connections - including ties to the Trump family - as factors in Netflix’s withdrawal.

Netflix had initially agreed to acquire WBD’s film and streaming assets, including Warner Bros., New Line Cinema, and HBO Max, in a deal designed to expand its content library and strengthen its competitive edge in streaming. However, Paramount’s surprise \$111 billion bid, offering \$31 per share, enhanced regulatory protections, and coverage of Netflix’s \$2.8 billion termination fee, ultimately outshone Netflix’s proposal. Netflix co-CEOs Ted Sarandos and Greg Peters explained that while the deal would have created shareholder value, it was no longer financially attractive at the higher price point. They stressed that Netflix remains a strong, profitable company with plans to invest roughly \$20 billion in content this year, expand its slate of films and series, and continue its share repurchase program.

Paramount’s improved offer covers all of WBD, including its cable networks, and was deemed “superior” by WBD’s board, though it had previously recommended Netflix to shareholders. Paramount aims to merge WBD’s storied film and television assets, including Warner Bros. studios, HBO Max, CNN, and CBS, with its existing Skydance and Paramount holdings, positioning itself as a strong rival to Netflix and Disney in both streaming and traditional media. Paramount Skydance is led by David Ellison, son of Silicon Valley billionaire Larry Ellison, who has close ties to President Donald Trump. David Ellison’s Skydance acquired Paramount Global last year for \$8 billion, strengthening the company’s position in the streaming and traditional media markets. The takeover battle underscores a shift in Hollywood ecosystem as major media companies consolidate to compete in a rapidly changing landscape, combining streaming audiences, traditional pay-TV networks, and film libraries.

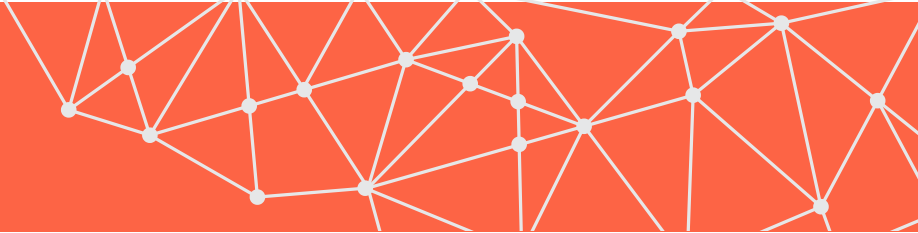


However, the deal is to face regulatory scrutiny in the United States and Europe over potential market dominance in content, sports, children's programming, and advertising. Critics, including US Senator [Elizabeth Warren](#) and media advocacy groups, warn of antitrust risks, concentrated media power, and threats to democracy. They also highlight potential social and professional costs: significant overlaps between [Paramount](#) and WBD's production and programming could lead to job losses in an already fragile industry. In addition, according to [Le Monde](#), Paramount Skydance's acquisition of WBD has raised concerns in Europe "over reduced diversity in cinema offerings". European film professionals fear that, as with Disney's 2019 acquisition of 21st Century Fox, "the merged studio may produce fewer films than the two companies did separately, limiting variety and theatrical exclusivity. Laura Houlgatte, CEO of the International Union of Cinemas (UNIC), emphasized that protecting cinemas and maintaining a strong, varied release schedule is a priority. Comscore Movies France noted that Disney and Fox together released about 37 films annually before the merger, compared with only 19 in 2025 - highlighting the impact of consolidation on film availability and ticket sales across Europe".

### **The end of South Africa-based Showmax**

[Canal+](#) has made a strategic move following its acquisition of [MultiChoice](#) by deciding to shut down the streaming platform Showmax. Despite earning recognition for premium original series, the platform has continued to generate significant annual losses. Canal+ completed its \$2 billion acquisition of [MultiChoice](#) last September and had previously indicated that it was soon to determine the future of Showmax. While the group pledged to keep investing in major local productions, the Showmax board ultimately concluded that closing the service was necessary to prioritize financial discipline and better allocate investments in an increasingly competitive and capital-intensive global streaming market. In a statement, the France-based company said the persistent losses from Showmax were no longer sustainable. It explained that phasing out the service aligns with its goal of building a stronger and more sustainable business. Canal+ also stated that discontinuing Showmax will not lead to job cuts.

According to [The Hollywood Reporter](#), African streaming platform Showmax relaunched in 2024 with an expanded content strategy that combined local original productions, major Hollywood titles, and English soccer. The service also introduced competitive pricing and positioned itself as aiming to "change the game" for streaming across the continent.



According to [Variety](#), creators in Africa say the loss of Showmax removes an important platform that encouraged greater experimentation with genre, storytelling, and more daring subject matter. The streamer had provided opportunities for projects that might not fit the more conservative programming typically commissioned by [MultiChoice](#) for its linear channels on the DStv bouquet, including Africa Magic, kykNET, and M-Net.

According to [Variety](#), the shutdown of [Showmax](#) - coming two years after Amazon MGM Studios ended its African originals - has once again sparked concern among African producers, many of whom are questioning where future opportunities will come from beyond traditional linear television and Netflix. Although Disney+ launched in South Africa, it has not expanded elsewhere on the continent. Meanwhile, Amazon Prime Video has stopped commissioning African originals, Apple TV+ has shown little interest in the region, and platforms like Max and Paramount+ have never launched there. With Showmax now being phased out, the number of streamers commissioning African content is shrinking further - essentially leaving Netflix as the main global buyer.

### **Video-gaming services under the Digital Services Act?**

According to [Euractiv](#), the European Commission is considering whether to designate the US-based online gaming platform Roblox, popular among children, a VLOP. This would require the platform to comply with the strictest obligations under the DSA. Roblox reported 48 million monthly EU users at the end of February - above the threshold for classification as a VLOP under the [DSA](#). If designated, Roblox would become the first gaming platform subject to the DSA's VLOP rules. Other gaming platforms, such as Discord, reported fewer than 45 million average monthly EU users at the end of February. Besides, national scrutiny has already begun. In [January](#), the Dutch Authority for Consumers and Markets opened an investigation over concerns that children could encounter violent or sexually explicit content or interact with harmful actors on the gaming platform.

### **Report from the European Audiovisual Observatory on the distribution of theatrical films**

According to the report from the European Audiovisual Observatory [How are theatrical films distributed on TV and VOD in the EU? 2024 figures](#), most theatrical films released in [2022](#) were subsequently accessible through other distribution channels. The report highlights that "a theatrical release effectively ensures further exploitation within the audiovisual value chain: 84% of films released in EU27 cinemas in 2022 became available on TV and/or VOD platforms in 2023". Examining the origin of these films, 95% of US theatrical releases from 2022 were made available through subsequent windows, compared to 83% of European releases. It is important to note that European films accounted for 66% of all theatrical releases in the EU27 in 2022, while US films represented 13%. Besides, VOD and linear TV services serve a vital and complementary role alongside theatrical distribution: in 2022, over half of the films available in catalogues or on broadcast in each EU country had not received a theatrical release there.



### **Motion Picture Association against ByteDance**

According to [The Hollywood Reporter](#), Hollywood's major studios remain unconvinced by ByteDance's pledge of 16 February to curb unauthorized use of intellectual property (IP) on Seedance 2.0, according to a new letter from the [MPA](#). Framed as a "collective industry response", the letter argues that IP misuse is not accidental but built into [Seedance](#)'s technology. The letter follows MPA chair and CEO Charles Rivkin's warning that [Seedance](#) 2.0 users had generated videos featuring Tom Cruise, Brad Pitt, and characters from Spider-Man, Transformers, and Stranger Things, describing the AI tool as engaging in "unauthorized use of U.S. copyrighted works on a massive scale". Netflix, Warner Bros., Disney, Paramount, and Sony Pictures have since issued legal threats to [ByteDance](#). ByteDance told the BBC that it "respects intellectual property rights" and is "strengthening safeguards" to prevent unauthorized use of content and likenesses. The MPA insists this is insufficient.

"The harm to MPA Member Studios is significant and ongoing [...] at this point we need far more than general statements", the [letter](#) says, citing continued examples of Seedance producing clearly infringing material. Rivkin criticized ByteDance, saying, "By launching a service without meaningful safeguards against infringement, ByteDance is disregarding copyright law that protects creators and supports millions of American jobs. They should immediately stop their infringing activity". The Chinese company, owner of [TikTok](#), launched Seedance 2.0 on 12 February via its Dreamina AI platform and AI assistant Doubao. The AI tool generates videos up to 15 seconds long from combined text, image, video, and audio prompts.

### **Toward the world's largest independent TV maker**

French TV giant [Banijay](#), the largest independent producer in Europe ([Peaky Blinders](#), Black Mirror, Big Brother, MasterChef, Survivor), has merged with UK's [All3Media](#) (The Traitors, Squid Game: The Challenge, Race Across the World, The Tourist, 1917) in a \$8 billion deal, with each holding a 50% stake. The new entity will be the world's largest independent TV maker. Industry watchers are speculating whether UK TV powerhouse [ITV](#) Studios - behind Love Island, Rivals, The Voice, and Fool Me Once - could be next. The merger was announced on 3 March.

### **Additional readings for the March report:**

- Paramount acquires Warner Bros Discovery in mega deal: the winners, losers and Trump's man in the middle, The Conversation, 3 March 2026, [Link](#).
- Artists and writers are often hesitant to disclose they've collaborated with AI - and those fears may be justified, The Conversation, 24 February 2026, [Link](#).

## Indicative sources :

- 5 burning questions for Paramount's Warner Bros. Deal, Variety, 4 March 2026, [Link](#).
- Paramount-Warner Bros mega-merger could still face “real threats”, antitrust experts say, The Guardian, 5 March 2026, [Link](#).
- Canal+ shuts loss-making South African streamer Showmax, Deadline, 4 March 2026, [Link](#).
- Canal+'s African Pay-TV Giant Multichoice pulls plug on streamer Showmax, The Hollywood Reporter, 4 March 2026, [Link](#).
- European Commission mulls bringing gaming platform under its digital rules, Euractiv, 4 March 2026, [Link](#).
- Hollywood studios take aim at “ultra-realistic” AI video tool, BBC, 13 February 2026, [Link](#).

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