



States Consider Broader Implications of Paramount-Warner Bros Deal

Description

Paramount's \$111 billion acquisition of Warner Bros Discovery (WBD) is now a major political issue in California and beyond, especially during a challenging election year for current officeholders. Despite the Justice Department approving the merger without requiring changes, there are significant obstacles ahead.

David Ellison, CEO of Paramount Skydance, was seen among supporters of Donald Trump at a recent UFC event, reflecting his close ties to the former president. However, his optimistic demeanor may be hiding the serious challenges the merger faces from state leaders, particularly in California.

Rob Bonta, California's Attorney General, is leading a coalition of nearly a dozen state attorneys general who plan to file a lawsuit to impede the merger. Bonta has publicly stated that the merger remains under investigation by his office. Meanwhile, Ellison has hired Jeffrey Kessler, an experienced lawyer known for opposing similar legal challenges, to assist if necessary.

Kessler believes there may not be sufficient grounds for an antitrust suit against the merger, arguing it wouldn't significantly harm competition in Hollywood. Nevertheless, he stresses the importance of a fair review process and hopes that decision-making isn't influenced by political motives.

There are also tight deadlines to consider, as the merger could incur heavy financial costs if not completed by September 30. Additionally, as midterm elections approach, state attorneys general face pressure to carefully justify their positions on the merger.

Public sentiment remains mixed, with prominent figures voicing concerns about possible job losses. As election season heats up, the future of this merger will be closely watched amid ongoing debates about its impact on the industry and local jobs.

Vocabulary List:

1. **acquisition** //,æk.wə'zɪʃ.ən// (noun): one company buying another company or its assets
2. **merger** //'mɜːdʒə// (noun): when two companies join and become one
3. **antitrust** //,æn.ti'trʌst// (adjective): laws that keep businesses from unfair competition
4. **coalition** //,koʊ.ə'lɪʃ.ən// (noun): a group of people or organizations working together
5. **impede** //ɪm'piːd// (verb): to make something difficult or slow to happen
6. **incur** //ɪn'kɜː// (verb): to have to pay or suffer a cost

Comprehension Questions



Multiple Choice

1. What is the value of Paramount's acquisition of Warner Bros Discovery?
 - Option: \$111 billion
 - Option: \$50 billion
 - Option: \$200 billion
 - Option: \$75 billion
2. Who is the CEO of Paramount Skydance?
 - Option: David Bonta
 - Option: Jeffrey Kessler
 - Option: David Ellison
 - Option: Rob Bonta
3. Who is leading the coalition of state attorneys general against the merger?
 - Option: David Ellison
 - Option: Jeffrey Kessler
 - Option: Rob Bonta
 - Option: Donald Trump
4. By when must the merger be completed to avoid heavy financial costs?
 - Option: September 30
 - Option: October 15
 - Option: August 31
 - Option: November 1
5. What legal challenge is Jeffrey Kessler known for?
 - Option: Merging companies
 - Option: Antitrust lawsuits
 - Option: Job loss cases
 - Option: Political influence cases
6. What is a major concern regarding the merger from public figures?
 - Option: Increased competition
 - Option: Higher media prices
 - Option: Possible job losses
 - Option: Tax benefits



True-False

7. The Justice Department required changes to approve Paramount's acquisition.
8. Public sentiment about the merger is entirely positive.
9. David Ellison was seen supporting Joe Biden at a recent event.
10. Rob Bonta plans to file a lawsuit to support the merger.
11. Jeffrey Kessler believes there are sufficient grounds for an antitrust suit.
12. The merger is currently being investigated by California's Attorney General's office.

Gap-Fill

13. Paramount's acquisition of Warner Bros Discovery is valued at _____ billion.
14. Rob Bonta is the Attorney General of _____ .
15. Ellison has a close relationship with _____ .
16. Jeffrey Kessler is known for opposing challenges related to _____ .
17. The merger's completion deadline is set for _____ 30.
18. As the elections approach, state attorneys general face pressure to justify their positions on the _____ .

Answer

Multiple Choice: 1. \$111 billion 2. David Ellison 3. Rob Bonta 4. September 30 5. Antitrust lawsuits 6. Possible job losses

True-False: 7. False 8. False 9. False 10. False 11. False 12. True

Gap-Fill: 13. 111 14. California 15. Donald Trump 16. antitrust 17. September 18. merger

CATEGORY

1. Business - LEVEL5



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Date Created

2026/06/16

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