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WHAT THE INDUSTRY READS FIRST

Day 96: Paramount Downplays WBD Interest, Maps DTC Future

There certainly wasn't a lack of anticipation for **Paramount's** first earnings call since finalizing a merger with **Skydance**, but the ongoing chatter about the company's interest in **Warner Bros. Discovery** made the lights that much brighter.

Nearly 100 days have passed since the lengthy and complex transaction reached the finish line. Monday was the first time the new Paramount Skydance company faced investors and analysts in a quarterly earnings call, where they got to discuss initial deals like the acquisition of **UFC's** media rights in the U.S. But in the past few weeks, the deal—or potential of one—on stakeholders' minds is some sort of a Paramount-WBD combination. Paramount joins **Netflix** and **Comcast NBCUniversal** in exploring a potential move. However, Paramount leadership played down the prospect and reiterated a belief that it has the tools it needs to craft the company it wants to become, rather than shop for it.

"I think it's important to know that there's no must-haves for us. We really look at this as buy versus build, and we absolutely have the ability to build to get to where we want to go," Chairman/CEO **David Ellison** said during the call. "We believe we can achieve our goals, our creative content engines. We believe we can achieve our streaming goals and that we can drive enterprise efficiency and create value and long-term free cash flow generation all through the building standpoint."

Even if it doesn't pursue a WBD megadeal, Paramount again

ruled out the possibility of spinning off cable assets, noting its confidence in the brands it holds and that it hasn't had luck when it jettisoned assets before. The company describes the disconnect between cable and broadcast as "pretty stark, and growing more stark," hence why Skydance was bullish on **CBS** as a cornerstone asset. With its top priority being the direct-to-consumer segment, Paramount President **Jeff Shell** said the content from the broadcast side of things is driving both subscribers and engagement. Plus, with sports leagues wanting reach and money, broadcast still provides the former while the latter is moving more toward streaming and digital.

"We have the perfect company for that barbell, with the biggest reach vehicle in CBS, which is the most-watched broadcast network for the last 17 years and will be so again this year... and then the streaming product, which is our North Star to grow and scale globally," Shell said, later adding: "It's increasingly clear that streaming, first and foremost, is a replacement for the multichannel cable environment. We're fortunate [that] yes, we have cable channels, but they're not as large proportionally for us as for others."

On the DTC front, the hope is to further scale **Paramount+** globally, which will require two main objectives: increasing investments in content and innovating the technology that powers the product. Paramount plans to up its studio output and film studio output, increasing theatrical releases to at least 15 movies per year starting in 2026. Over the next year, Paramount anticipates making incremental programming investments in excess of \$1.5



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billion across theatrical and DTC platforms.

Paramount's process of unifying Paramount+, **Pluto TV** and **BET+** under one platform is underway and it expects to complete that mission around the middle of 2026. Having a streamlined tech stack will benefit in ways like ad sales. Not to mention that Paramount currently doesn't have the ability to upgrade a user from the free Pluto TV product to a paid subscription plan.

"I am very hopeful that once the platform investment is live, we will be able to use that product to start with Pluto in some international markets, and over time, use that to scale in markets which are not high ARPU," Shell said.

Paramount added 1.4 million new DTC subscribers in 3Q25, down from the 3.5 million it added in 3Q24, but its total subscribers is up to 79.1 million compared to 72 million a year ago. The vision to grow the product comes with a price, though. Paramount's shareholder letter revealed plans to implement a price increase in the U.S. at some point "early in the first quarter of 2026." The company still expects DTC to be profitable on a full-year basis for 2025 and sees growth in profitability next year.

TEGNA REPORTS 3Q25 REV DROP AMID PENDING NEXSTAR MERGER

Nexstar's \$6.2 billion acquisition of **Tegna** is still awaiting regulatory approvals, including at the **FCC**, which is also considering easing the broadcast ownership cap. In other words, there's still some work to do before this thing closes. In the meantime, Tegna reported its 3Q25 earnings Monday, including a 19% YOY decline in total revenue to \$651 million, which the broadcaster said was in line with its guidance. The main driver of the drop was lower political ad rev compared to the prior year quarter and less ad demand. Advertising and marketing services revenue was \$273 million, with Tegna saying that the 12% YOY decrease was due to macroeconomic challenges, the absence of last summer's Olympics coverage, and lower **Premion**-related rev. Distribution revenue came in at \$358 million, a 1% YOY drop, as Tegna saw sub declines. The broadcaster reported a 52% YOY decrease in Adjusted EBITDA, finishing the quarter at \$131 million due lower ad rev, offset by operational cost-cutting initiatives. The earnings report didn't include remarks from Tegna President/CEO *Mike Steib* and Tegna didn't host a conference call to go over the quarter in more detail. The company said that in light of the pending merger with Nexstar, it would not provide forward-looking guidance regarding financial metrics and wouldn't update or reaffirm any prior guidance. It also suspended share repur-

chases under its previously announced repurchase program. Tegna expects the merger to close by 2H26, as long as it can get regulators onboard. As of Nov. 10, three complaints have been filed by purported stockholders of Tegna in connection with the proposed Nexstar merger, generally alleging that the preliminary proxy statement filed by Tegna included false and misleading information and/or failed to disclose allegedly material information in violation of federal or state law. Tegna believes the allegations are without merit.

OPTIMUM TARGETS SATELLITE INTERNET, FWA IN NEW CAMPAIGN

Fresh off a [corporate rebrand](#) and a quarter plagued by competition, **Optimum** is hoping to flip the narrative and push back against its fixed wireless and satellite rivals. The operator launched a new campaign spotlighting the limitations that come with FWA and 5G Home Internet offerings. The goal is to win back customers who live in high-5G areas and entice those considering an FWA solution with reasons to go with Optimum's fiber internet plans. Optimum launched a landing page comparing the two solutions, boasting Optimum's speeds and consistency while stating FWA has "No reliability, speed or consistency transparency." It also points to "Inconsistent speeds that slow down during primetime" and "Shared connection delivered via cell phone towers" for FWA users. Optimum's plans start at \$25/month for 200/20 Mbps speeds, with other options going as high as 8 Gbps and price locks for up to five years.

FCC OVERSIGHT HEARING SET

Mark your calendars for Dec. 17. That's when Sen. *Ted Cruz* (R-TX) and the **Senate Commerce Committee** will conduct an oversight hearing with FCC Chairman *Brendan Carr* and Commissioners *Anna Gomez* and *Olivia Trusty* to discuss the *Jimmy Kimmel* fiasco. It'll be the first time Senate Commerce meets with the entire FCC leadership in an oversight hearing since June 2020, when the agency was led by now-Sen. *Roger Wicker* (R-MS) and the committee sought more information regarding broadband deployment amid the COVID-19 pandemic. Carr is the only active member of the FCC's leadership to have participated in the 2020 hearing, with next month's date on the Hill putting him [back on the hot seat](#) to discuss his comments regarding *Kimmel* and **ABC**. Cruz, as well as other lawmakers from both sides of the aisle, were critical of Carr when *Kimmel's* late-night show was briefly suspended. Carr is also expected to take

inquiries on the FCC's dealings with other broadcasters, mainly **CBS** and the now-completed merger between **Paramount** and **Skydance**.

COX FIRES BACK AT SONY IN ONGOING COPYRIGHT SPAT

Cox maintained its push for the **U.S. Supreme Court** to [overturn](#) a ruling that ISPs could be liable for materially contributing to copyright infringement, or at least have a retrial under the proper willfulness standard. In a reply brief to last month's arguments from **Sony** and other music owners, Cox argued that affirming the decision will lead to a mass exodus of internet users, despite the operator not having encouraged anyone to commit copyright infringement or alter its service to facilitate/conceal such actions. Cox also pushed back on the notion that ISPs should act "as the world's internet police." "Plaintiffs and their amici need not worry about the continued vitality of material-contribution liability—they just need to pick defendants who actually did something wrong," Cox wrote.

CNN, POWERED BY T-MOBILE

T-Mobile announced Monday that it will power **CNN's** live, on-location coverage via its SuperMobile business plan. The deal allows CNN reporters to connect to T-Mobile's 5G Advanced network and stream live video to viewers from anywhere in the U.S., while tapping into faster upload speeds and advanced security features. SuperMobile also includes access to T-Satellite for connectivity in areas where traditional networks can't reach. *Guy Griggs*, CNN SVP of Ad Sales & Client Partnerships, said that this is part of the news net's plan to expand mobile journalism operations, with the new live video experience set to run across CNN's website, mobile app and its new DTC streamer. CNN video content utilizing T-Mobile's network will also include the Un-carrier's [logo on screen](#), according to **Variety**. T-Mobile made a similar deal with Fox Weather last month.

VERSANT-ACCUWEATHER DEAL

Versant Media, the company splitting off from **NBCUniversal**, inked a deal that will allow **MS Now** (**MSNBC's** new name starting Saturday) and **CNBC** to use **AccuWeather's** weather forecasts, content and data as well as its expert meteorologists, including during breaking news weather events. The deal will also see AccuWeather support MS Now and CNBC with daily on-air segments on "Morning Joe" and "Squawk Box." The move comes as the cable nets break away from the **NBC News** operation, with resources no longer being shared between newsrooms. MS Now also announced that it hired *David Parkinson* as Senior Weather and Elections Data Analyst, joining from **CBS News**. *Moses Small*, formerly at **ABC 10News San Diego**, also joins as Climate Reporter.

YOUTUBE TV TO ISSUE \$20 CREDIT

The **Disney-YouTube TV** carriage dispute has now lasted through a second weekend, and signs are pointing to the vMVPD's subscribers missing a second Monday Night Football game as well. Though they might want to try and find a way to see *Bob Iger's* [appearance](#) on tonight's "ManningCast" on **ESPN2**. On Friday, Disney and **ESPN** leadership wrote to employees to say the two sides weren't close to a deal ahead of another weekend of college football and basketball. While **The Athletic** [reports](#) that the two were continuing to negotiate as of Saturday, a renewed agreement remains elusive. Now, YouTube TV said it's issuing a \$20 credit to users. "We've been working to negotiate a deal with Disney that pays them fairly for their content and returns their programming to YouTube TV. We know it's been disappointing to lose Disney channels, and in light of the disruption, we're offering our subscribers a \$20 credit," YouTube TV said in a [statement](#) on **X**. Folks who pay for YouTube TV directly will need to redeem the credit themselves, but those who use Google Pay or a different provider will see the \$20 applied automatically. All credits are expected to be provided by Wednesday. Tonight's MNF game between the Eagles and Packers will kick off at 8:15pm on ABC and ESPN. The ManningCast begins at 8pm.

RATINGS

Prime Video said it's on the way to its most-watched season of Thursday Night Football ever. Although last week's Broncos-Raiders game was a 10-7 dud, it averaged 13.93 million viewers, marking the eighth YOY viewership increase of the season (+2%). Thursday's battle peaked at 15.74 million viewers between 9:15-9:29pm. Season to date, TNF's average sits at 14.84 million, with the nine-week average up 13% compared to last year's (13.08 million) and up 12% over the full 2024 season (13.2 million). Additionally, the pregame show "TNF Tonight" had 2.18 million viewers Thursday, making it the program's largest audience ever. – The **NWSL** on **ESPN** platforms finished the 2025 campaign with an average of 228,000 viewers P2+ across ESPN, **ABC**, **ESPN2**, **ESPN+**, **Disney+** and **ESPN Deportes**. That's up 61% from the 141,000 viewers the NWSL averaged in 2024, which was ESPN's first season airing the league. Nearly 50% of ESPN's audience was female. The highest-rated game in 2025 was the Current-Thorns in March (610,000 on ABC/ESPN+). The top telecast on ESPN also came in March with the Pride-Wave bringing in 448,000.

EDITORS' NOTE

Cablefax Daily will not publish on Tuesday, Nov. 11, in recognition of Veterans Day. We thank the men and women who served our country and defended our freedom. Your next issue will be delivered on Wednesday, Nov. 12. Check [Cablefax.com](#) for any breaking news updates in the meantime.