MONDAY, MARCH 2, 2026 VOLUME 37 | NO.038

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

Merger Madness: PSKY Sets WBD Vision as Industry & Regulators React

During an investor call Monday, **Paramount** CEO *David Ellison* was full steam ahead with his vision of a consolidated PSKY-**Warner Bros. Discovery**, which includes combining **HBO Max** and **Paramount+** into "one stronger platform" with over 200 million DTC subs. "To contextualize, that's roughly the size of **Disney** [and] obviously competitive with **Amazon**, competitive with **Netflix**," Ellison said. "That really positions us to be one of the leading competitors in the DTC space and really accelerates our growth there."

Launching DTC products might be what the programmers are into these days, but Ellison stressed that he wouldn't leave PSKY and WBD's legacy linear brands behind, confirming that PSKY didn't plan to divest or spin off any networks. "There are incredible brands across the combined linear portfolio that we really do believe in being able to transition to a digital future," Ellison said. That includes by boosting the brands' streaming presence. "We can then meet people where they are," whether they want to watch content on linear platforms or DTC, Ellison added.

The combo will also give PSKY "an incredible footprint" in the live sports ecosystem, with Ellison noting the addition of exclusive Olympics coverage in Europe through WBD. He shared that PSKY also "future-proofed" its exclusive **UFC** deal, giving the combined company the flexibility to air select events on **TNT Sports**, on top of Paramount+ and **CBS**.

The bidding war for Warner Bros. Discovery ended in dramatic fashion on Thursday, with Netflix declining to match Paramount's revised offer, which will see it pay $31 per share, plus sweeteners, to acquire all of WBD. As PSKY laid out quite the spread for WBD, including a $0.25 per share "ticking fee" for every quarter the merger doesn't close after Sept. 30 and a $7 billion termination fee payable to WBD if the $110 billion deal isn't approved by regulators, NFLX simply said WBD was a "'nice to have' at the right price, not a 'must have' at any price." Of course, the streaming giant exited $2.8 billion richer, with PSKY agreeing to cover the fee for WBD pulling out of its agreement with NFLX. By Friday, PSKY and WBD had a merger agreement firmly in place, with a plan to close by 3Q26.

Reactions to the merger varied across the entertainment industry. "We wish them the best of luck," **Fox Corp.** CEO *Lachlan Murdoch* answered when asked to give his thoughts on the merger during a fireside chat at a **Morgan Stanley** TMT conference on Monday. "Regardless whether it was Netflix acquiring Warner Brothers Discovery or Paramount acquiring Warner Brothers Discovery, there will be conditions put on this transaction, we would expect, which would require a producer of that size to continue to sell their content to third-party platforms. We think that's very important and we would expect that to be a condition put upon any transaction."

Murdoch said he wasn't worried about how the merger would change **CNN**'s competitive position with **Fox News**. "We have been winning, and we win among strong competition," he said.

"CNN obviously will be a strong competitor as we would expect, but we like competition."

CNN media analyst *Brian Stelter* also pondered the prospect of PSKY combining WBD's cable news brand with the increasingly troubled **CBS News**, writing that the combo is "both eminently logical, but potentially really hard to accomplish" and that "CNN is a highly profitable business, and it would be foolish to put that at risk." Ellison didn't talk about PSKY's plans for CNN while discussing his outlook for the linear portfolio.

Pay TV distributors will also be keeping a close eye on all matters PSKY-WBD. **EchoStar** President/CEO *Charlie Ergen* gave his two cents during a 4Q25 earnings call. "It's further concentration in an industry that is changing. I always worry when you're competing against your own distributors," he said. "They have a direct line to the consumer, and you're competing against that. They're a valued vendor. That's obviously something that we have to keep our eye on, but we'll wait for their filings, and you know, they're both great companies and great management for both those two. So we'll see at the appropriate time whether we have any concerns."

The saga is far from over on the regulatory front. Ellison said the company would "work incredibly collaboratively" with regulators in order to meet that 3Q closing date. Ellison was quick to point out that the waiting period on the merger's HSR filing had expired after complying with all of the DOJ's requests for information, although the **DOJ** could choose to scrutinize the merger more closely now that there's a formal agreement in place. PSKY has maintained that the DOJ's inaction means there is no statutory impediment in the U.S. to closing the deal, but the merger will also need the go-ahead from European antitrust regulators. On the call, Ellison reiterated that Germany and Slovenia had given approval.

There are a few other potential regulatory hurdles to watch out for: California Attorney General *Rob Bonta* said the state's Department of Justice was actively investigating the merger, promising a "vigorous" review. Bonta also signaled he was "in conversation" with other state attorneys general. Sen. *Cory Booker* (D-NJ), who previously invited Ellison to appear at a **Senate Judiciary** antitrust hearing concerning the WBD-NFLX merger, said late last week that PSKY-WBD was "far from settled" and that the merger must be examined by Congress. Booker, who was one of a group of Senate Dems who signed a letter sent to Ellison in February warning that the combo would warrant an investigation, wrote on **X** that he intended to "exercise Congress' oversight authority" to scrutinize the deal.

It's also possible that regulators could raise national security concerns due to the Middle Eastern sovereign wealth funds helping finance the acquisition, although the company has said that foreign backers agreed to forgo governance rights, including board representation, so the deal wouldn't require approval from the Committee on Foreign Investment in the United States.

One exec who doesn't seem to be sweating the potential regulatory land mines ahead is WBD CEO *David Zaslav*. "The deal may not close," Zaslav told WBD employees during a virtual town hall Friday, per *Business Insider*. "If it doesn't close, we get $7 billion, and we get back to work."

CHARTER-COX INCHES FORWARD

The **FCC** may have given the $34.5 billion **Charter-Cox** merger its blessing on Friday, but not everyone is thrilled with the combo. "The FCC approved the largest cable merger in nearly a decade and did not require Charter to do anything it wasn't already planning to do. In 2016, the Commission approved Charter's acquisition of Time Warner Cable only after imposing conditions on data caps, usage-based pricing and paid interconnection. [Friday's] order finds those concerns no longer apply, largely because the agency credits fixed wireless and satellite as competitive constraints on cable. Further, the Commission imposed no affordability conditions, despite doing so in the 2016 Charter, **Comcast-NBCU**, and **Verizon-TracFone** transactions. The record does not support this outcome," said a statement from **Public Knowledge**, which had joined with the **Communications Workers of America**, **Benton Institute for Broadband & Society** and **Center for Accessible Technology** to petition the FCC to deny the deal. The deal still needs approval from the **California Public Utilities Commission**. Since the merger was approved by the FCC Wireline Competition Bureau, the agency's three commissioners didn't vote on it. Democrat FCC Commissioner *Anna Gomez* took issue with Charter committing to "new safeguards" to protect against "DEI discrimination," with the FCC saying the operator has reaffirmed the commitment to equal opportunity and nondiscrimination. "Companies in America have always looked to hire based on merit. That's what's best for their bottom lines. Diversity, Equity, and Inclusion (DEI) discrimination is a myth. It is shameful that any company would co-sign this lie," she wrote. Charter and Cox declined to comment.

ERGEN LIKES SPACEX, COMCAST BUSINESS ENTERS LAWSUIT FRAY

EchoStar President/CEO *Charlie Ergen* doesn't mince words. For years, he's eschewed any sort of prepared remarks on earnings calls and jumped straight to Q&A. In that spirit, don't look for

Cablefax Daily (ISSN 1069-6644) is published daily by Access Intelligence, LLC | www.cablefax.com | 301.354.2101 | Editorial Director, Ad Tech and Convergent Media: Sarah Sluis, 212.621.4706, ssluis@accessintel.com | Editorial Director: Amy Maclean, 301.354.1760, amaclean@accessintel.com | SVP Media Group: Dave Colford, 631.786.9796, dcolford@accessintel.com | Sr Editor: John Saavedra, 908.477.1758, jsaavedra@accessintel.com | Editor: Noah Ziegler, 301.354.1704, nziegler@accessintel.com | Advertising and Sponsorship: Vernesa Merdanovic, vmerdanovic@accessintel.com | Marketing Director: Jessica Dombrowski, jdombrowski@accessintel.com | Sr Prod Manager: Joann Fato, jfato@accessintel.com | Kerry Smith, Divisional President, Chief Marketer Network, ksmith@accessintel.com | Group Subs: Vernesa Merdanovic, vmerdanovic@accessintel.com | Subscription Questions: Client Services: 301.354.2101, clientservices@accessintel.com | Annual subscription price: $1,999.00/year |
Access Intelligence, LLC, 9211 Corporate Blvd., 4th Floor, Rockville, MD 20850

another conference call when 1Q26 ends. "We certainly will have filings, but I don't think we'll have a lot to add to what we had today," he said during Monday's 4Q25 earnings call. Barring any material changes in the marketplace, Ergen expects it'll be July or early August—after 2Q26 earnings—before execs jump on a call again with analysts. That should give more clarity into the company and regulatory outlook, including the company's capital management and strategic investment activities unit EchoStar Capital. In November, it was announced that *Hamid Akhavan* would oversee EchoStar Capital, with Ergen moving from chairman back to the president/CEO role. Monday's call focused primarily on regulatory approvals for its spectrum sales to **SpaceX** ($19 billion) and **AT&T** ($23 billion). That includes what EchoStar will do with the money from the sales, something complicated by external factors, such as the possibility and the timing of a potential SpaceX IPO. No real update on EchoStar's **Dish Wireless** segment, which is being sued by several vendors after stopping tower rental payments and other contracts. Last week, **Comcast Business** joined those filing lawsuits, seeking $54 million in damages related to fiber connections for the 5G network. Dish Wireless has said the **FCC**'s inquiry that resulted in the spectrum sales was a force majeure, freeing it from the contracts. Ergen again lamented the litigation, but said EchoStar recently signed a settlement agreement with a "large tower company" that didn't sue because "principals can talk to principals" instead of "lawyers talk[ing] to the lawyers." **Crown Castle**, **SBA**, **Harmoni Towers**, **Diamond Towers** and **American Tower** have all filed lawsuits against Dish Wireless. "We'll assess all of our available steps in front of any courts or venues and we'll engage with more tower companies to seek good, consensual solutions, and we'll consider all our alternatives available to the company," he said. "Just to be clear, we don't believe we owe any money. I think it shows our good faith that we've settled with a lot of people and attempted to engage in negotiations when people don't pick litigation." As for SpaceX's merger with xAI and the $1.25 trillion valuation put on it, Ergen said he couldn't speak to the numbers but that SpaceX has "been the best company I've ever worked with in 45 years."

ECHOSTAR LOSES 168K PAY TV SUBS

EchoStar's pay TV subs decrease of 168,000 in 4Q26 was better than the year ago decrease of 253,000, but **MoffettNathanson** noted the combined video subscriber base is now shrinking at a 10.0% (organic) rate and it estimates that video ARPU for the quarter fell 0.3% YOY. "The DCF of a business in perpetual decline that is likely already bleeding cash is probably close to zero. A merger with **DirecTV** would yield synergies for a time but wouldn't change the basic trajectory here, and, assuming **Dish**'s debt actually stays with Dish, there's not enough value here, even with a DirecTV merger were one to happen, to cover the debt," the firm said in a note to clients. EchoStar's satellite TV lost 636,000 video subs for all of 2025 vs. a loss of 785,000 for 2024. **Sling TV** swung to a loss of 167,000 subs for the full year vs. gaining 37,000 last year. "We continue to experience increased competition, including competition from other subscription video on-demand and live-linear OTT service providers, many of which are providers of our content and offer football and other seasonal sports programming direct to subscribers on an a la carte basis. For example, in August 2025, **ESPN** Unlimited and **Fox One** sports packages were launched," EchoStar said in its **SEC** filing. Sling has reacted by creating short-term streaming passes for 24 hours, three days or week, which **Disney** and **Warner Bros. Discovery** are suing over.

PITCHER NAMED WICT CEO

The WICT Network has chosen its successor to *Maria Brennan*. *Tracy Pitcher*, who's held leadership roles at the likes of **Comcast**, **Charter**, **AT&T** and **Time Warner**, was named the association's next President/CEO. She'll fill in for Brennan, who's set to depart next month after leading the women's professional org for 16 years. "The WICT Network plays a vital role in advancing leaders and strengthening our industry. I am honored to join the organization at such an important moment, and I look forward to working alongside this remarkable community to build on its strong foundation and expand its impact," Pitcher said. She will take over the reins as WICT moves into its new HQ in Arlington, Virginia. She's been involved with the organization as an alum of the Betsy Magness Leadership Institute and Betsy Magness Graduate Institute, in addition to having participated in the Senior Executive Summit at Stanford's Graduate School of Business. Pitcher was most recently SVP for **Comcast Business**' Central Division, where she managed strategy, customer experience and financial performance across 12 states in the upper Midwest, Gulf Coast and Florida. She held the same role for the Northeast Division and Greater Boston Region as well during her 16-year stay at Comcast. Pitcher served as Charter's VP, Customer Operations following a two-year stint as AT&T's Director, Customer Care.

SCHULMAN SETTLING AT VERIZON

Although some reports speculated that **Verizon**'s new CEO *Dan Schulman* was a main driver in orchestrating the leadership transition, the former **PayPal** and **AT&T** exec said he was quite comfortable living in retirement. However, sitting on the board of a company that saw its stock fall more than 30% over five years while losing substantial market share didn't sit right with Schulman, hence why he saw an opportunity to steady the ship at the wireless giant. Schulman spoke at the **Morgan Stanley Technology, Media & Telecom Conference** on Monday, outlining more of his vision for Verizon as he nears six months since assuming the CEO seat. This year, Schulman hopes to bring Verizon's churn rates down by at least five basis points, doing so by "putting a lot of money behind the customer experience." If investments in customer experience pay off, there won't be as much pressure to "use a lot of promotional dollars to drive the other half" of its overall goal to see churn decline by 10 basis points. Plus, Schulman thinks Verizon can be more surgical and targeted in terms of how it acquires customers. "I'm focused on net adds. I'm not focused on gross adds," he said. "Gross adds are easy to get. You spend a lot of promotional money to go do that. I have a war chest to go do it, but that's not what I'm doing. I'm going to be very fiscally responsible. I'm going to be very conservative about what the top of my funnel looks like, because I think I can take the bottom of my funnel and shrink it." Another factor in Verizon's churn trends over the past few years is the number of price increases it's rolled out to customers without corresponding value. Schulman said it may raise short-term value, but "it does nothing in the medium to long term." And while he's not against price increases, "there has to be value associated with it. "The first rule of getting out of a hole is stop digging," he said.

SCRIPPS DEALING

Several **Scripps** transactions are moving forward as the company works to trim its debt load. It closed Monday on its $40 million sale of Fort Myers, Florida., **Fox** affiliate WFTX to Sun Broadcasting. On Friday, the **FCC** gave its OK to the sale of Scripps' $83 million sale of Indianapolis **ABC** affiliate to **Circle City Broadcasting**. That deal is expected to close in the coming weeks. Circle City was formed in 2019 by veteran broadcaster *DuJuan McCoy* to buy WISH-TV and WNDY-TV in Indianapolis from **Nexstar** for $42.5 million. Neither **Dish** nor **DirecTV** carry the stations today (Circle City unsuccessfully sued over the lack of carriage at the rates it wanted, claiming racial discrimination), but the addition of an ABC affiliate in the market may give the broadcaster new leverage with them. Meanwhile, Scripps is still waiting on federal regulators to review its deal to swap stations with **Gray Media** in five small and mid-sized markets. The result will be new duopolies for each group.

T-MOBILE LOBS COUNTERSUIT

Last week, **T-Mobile** filed its response to **Verizon**'s false advertising lawsuit, and now the uncarrier is submitting a counterclaim alleging Verizon committed deceptive acts and practices and false advertising with its "Better Deal Campaign." Filed on Friday in the **U.S. District Court of New York's Southern District**, T-Mobile alleges that Verizon's Better Deal Campaign promised customers that it could offer lower-priced comparable plans if they brought in a qualifying bill. However, T-Mobile writes that Verizon wasn't able to beat or match some customers' plans, calling the Better Deal Campaign "a classic 'bait and switch'" where Verizon "lures many consumers through the door with a false promise of savings and then tries to upsell them on more expensive products and services." T-Mobile also claims that Verizon had a savings calculator tied to the Better Deal Campaign, but took it down shortly before Verizon sued T-Mobile in early February.

FIBER FRENZY

WOW! wrapped up its fiber buildout in Houston and Henry counties in southeastern Alabama, bringing broadband services to more than 1,000 homes and businesses in rural and previously underserved communities. The buildout was supported by a grant awarded from the Alabama Department of Economic and Community Affairs. – **ImOn Communications** is expanding its fiber network to Superior, Wisconsin, and Duluth, Minnesota, connecting these communities to speeds up to 5 Gigs for homes and 10 Gigs for businesses.

ON THE CIRCUIT

The **Cable TV Pioneers** is accepting nominations for the Class of 2026, which will be feted in Atlanta on Sept. 28. It's a special year with 2026 marking the 60th anniversary of the organization. Nominations must be submitted no later than April 15 by any Pioneer in good standing who is a member of the Class of 2022 or earlier.

PROGRAMMING

Spectrum News NY1 debuted a new daily morning show hosted by anchors *Pat Kiernan* and *Jamie Stelter*. "Morning People", which premieres March 9, will air on NY1 at 6am and also be available on the NY1 and Spectrum News **YouTube** channels, **Spotify**, **Apple Podcasts** and other podcast platforms. The show will lead right into NY1's long-running "Mornings on 1," also hosted by Stelter and Kiernan. – **NBC Sports** is throwing it back to the '90s with Tuesday night's Spurs-76ers game. Tomorrow's telecast will feature the graphics package used when NBC Sports broadcast **NBA** games from 1990-2002, including the score bar, replay wipes and stats, as well as other flashback elements that'll be woven into the telecast. On the call will be *Bob Costas*, *Doug Collins*, *Mike Fratello*, *Jim Gray*, *Hannah Storm*, *Isaiah Thomas* and *P.J. Carlesimo*, who were each members of NBC Sports' NBA lineup in that 1990-2002 run. Spurs-76ers will tip off at 8pm on **NBC** and **Peacock**. – **ESPN** signed senior **MLB** insider *Jeff Passan* to a multiyear extension. Passan first joined the network in 2019.– **The History Channel** is diving into dark government secrets once again, with "Secrets Declassified with David Duchovny" Season 2 set to premiere on March 17 at 10pm.

PEOPLE

Sol Doten was promoted to EVP, Marketing & Strategy, at **Ovation TV**. He's responsible for shaping enterprise-wide strategy across the company including marketing, distribution, community and government affairs, communications and business development.