



Written Testimony

Before the United States Senate Subcommittee on Antitrust, Competition Policy and Consumer Rights
Hearing on the Proposed Netflix-Warner Bros. Merger

February 3, 2026

Dear Chairman Lee, Ranking Member Booker and Members of the Antitrust, Competition Policy and Consumer Rights Subcommittee:

NetChoice respectfully submits this statement for the record regarding the Committee's hearing covering the proposed merger between Netflix and Warner Bros. Discovery. NetChoice is a trade association of leading internet companies committed to promoting the value, convenience, and choice that internet business models provide to American consumers. Our mission is to make the internet safe for free enterprise and free expression.

In a rapidly evolving media landscape, this partnership represents a forward-thinking alignment of complementary strengths that will improve the domestic creative economy—a catalyst for American innovation and consumer value. This transaction is a clear win for American households and the future of our digital economy.

A Pro-Innovation Partnership That Benefits Consumers

This is primarily a vertical transaction combining complementary assets. By merging Netflix's technological prowess and global distribution platform with Warner Bros.' iconic creative depth and world-class studio infrastructure, this partnership effectively lowers the cost and expands the accessibility of quality entertainment. Rather than reducing competition, this combination creates efficiencies that enable greater investment in American creative talent.

The consumer benefits are substantial and direct. Approximately 80% of HBO Max subscribers already maintain Netflix subscriptions. By integrating these offerings, the merger provides a path toward lower pricing and increased value—more content per dollar, not forced bundling or diminished choice. This ensures that high-quality American productions remain accessible and affordable. The deal enables a combined commitment to original content that will provide more opportunities for creators and more choices for viewers.

The Competitive Reality of the Modern Attention Market

Regulators must view this transaction through the lens of modern market realities, where competition for consumer attention has never been more intense. This merger addresses the economic realities of today's attention market. When looking at total television viewing across all platforms—including broadcast, cable, and satellite—the combined entity would represent only 10% of viewing share, ranking third behind YouTube and Disney. Netflix currently accounts for roughly 9%. Nielsen data confirms this fragmented landscape.¹

Even under the narrowest possible market definition—focusing solely on streaming subscriptions—the U.S. market remains what leading industry analyst Omdia describes as "big, fragmented, and intensely competitive." Netflix accounts for just 17.5% of total U.S. subscription video-on-demand subscriptions, facing fierce competition from Disney+, Amazon Prime Video, Paramount+, Peacock, Apple TV+, and numerous other platforms.

Perhaps most importantly, consumers allocate attention across streaming video, social media, gaming, and countless other digital platforms. In this fragmented landscape where streaming platforms must compete against social media and gaming for every minute of engagement, traditional boundaries between platforms continue to dissolve. YouTube's recent content licensing agreement with the BBC exemplifies this convergence. The competitive landscape extends far beyond traditional video streaming services to encompass the entire digital attention economy.

Expanding Investment in American Creative Talent

Netflix has consistently increased content investment and production over the past decade, even as other studios have pulled back. Rather than artificially contracting the market, this merger empowers the combined company to expand production, ultimately benefiting the writers, directors, actors, and crews who form the backbone of American entertainment. This is a job-creating transaction that generates additional opportunities for creative professionals across the country while elevating content quality for consumers. The combined entity will have greater resources to invest in original American productions that strengthen our creative economy.

Conclusion

The Netflix-Warner Bros. Discovery merger represents exactly the kind of transaction that antitrust law should encourage: a vertical combination of complementary assets that delivers immediate consumer benefits, creates jobs, and stimulates investment—all within a vigorously competitive marketplace. The transaction does not threaten competition under any economically sound market definition.

We urge the Subcommittee to evaluate this transaction based on rigorous economic analysis, the consumer welfare standard, and the actual competitive dynamics of today's media landscape—not

¹ Nielsen, *YouTube Maintains Largest Share of TV Viewing Among Media Companies for Third Consecutive Month: April 2025 Media Distributor Gauge* (May 27, 2025)

outdated market definitions or speculative concerns about business scale. The evidence overwhelmingly demonstrates that this merger serves the interests of consumers, workers, and competition. Sound antitrust policy protects competitive markets and consumer welfare, and this transaction advances both objectives.

As always, we appreciate the Subcommittee's consideration of our comments and attention to this important matter.

Sincerely,

Amy Bos

Vice President of Government Affairs, NetChoice