## United States Senate

May 13, 2025

The Honorable Brendan Carr Chairman Federal Communications Commission 45 L Street, NE Washington, DC 20554

Dear Chairman Carr,

With the Federal Communications Commission (FCC) currently reviewing the proposed merger between Paramount Global and Skydance Media, we urge you to approve the transaction only with an affirmative vote by the full Commission. Although the Commission has delegated authority for its Media Bureau to decide certain matters without a full Commission vote,<sup>1</sup> this transaction is unique from other mergers that have come before the Commission. In particular, Paramount is reportedly considering settling a frivolous, unrelated lawsuit filed by President Donald Trump against CBS, a Paramount subsidiary. Given the high profile of this deal and, at the very least, the appearance of impropriety, we strongly urge you to approve the merger only with a vote by the full Commission.

The unique position of this case stems from President Trump's ongoing, frivolous litigation against CBS. In late October, then-candidate Trump sued CBS for \$10 billion — later raising this outrageous amount to \$20 billion — for supposedly deceptively editing an interview of then-Vice President Kamala Harris on its programs *60 Minutes* and *Face the Nation*.<sup>2</sup> As the transcript of the interview showed, the excerpts that CBS aired were a quintessential example of editorial decision-making.<sup>3</sup> Trump's claim that such conduct constituted "voter interference" and violated Texas's consumer protection law is both false and a clear attempt to intimidate the news media. CBS has rightfully moved to dismiss the case.<sup>4</sup>

Despite the obviously frivolous nature of the lawsuit, Paramount is reportedly considering settling the case to "increase the odds that the Trump administration does not block

<sup>&</sup>lt;sup>1</sup> 47 CFR § 0.283.

<sup>&</sup>lt;sup>2</sup> See, e.g., *Trump sues CBS over Kamala Harris '60 Minutes' interview*, Reuters (Oct. 31, 2024), <u>https://www.reuters.com/legal/trump-sues-cbs-over-kamala-harris-interview-2024-10-31</u>.

<sup>&</sup>lt;sup>3</sup> See, e.g., Joe Lancaster, *Transcript Proves the 60 Minutes Scandal Was Always Fake*, Reason Magazine (Feb. 6, 2025), <u>https://reason.com/2025/02/06/transcript-proves-the-60-minutes-scandal-was-always-fake/;</u> Brian Stelter, *The FCC just published CBS' raw Kamala Harris '60 Minutes' interview*, CNN (Feb. 5, 2025), <u>https://www.cnn.com/2025/02/05/media/cbs-kamala-harris-60-minutes-interview/index.html</u>.

<sup>&</sup>lt;sup>4</sup> See, e.g., Sara Fischer, CBS moves to dismiss \$20 billion Trump lawsuit, Axios (March 6, 2025), https://www.axios.com/2025/03/06/cbs-files-to-dismiss-trump-lawsuit.

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or delay" its merger with Skydance.<sup>5</sup> In fact, Paramount executives and directors are reportedly concerned that such a settlement could open them up to accusations of bribery.<sup>6</sup> Paramount would not be the first to settle a lawsuit brought by the President in the past few months. In the weeks following the inauguration, ABC (\$16 million),<sup>7</sup> Meta (\$25 million),<sup>8</sup> and X (\$10 million)<sup>9</sup> all settled cases brought by Trump. With Paramount on the hook to pay Skydance a \$400 million breakup fee if the FCC blocks the deal, the company has strong financial incentives to facilitate FCC approval of the merger.<sup>10</sup>

For those reasons, this transaction has signs of a deal between a company eager for approval of a multi-billion dollar merger and a President willing to exploit his position to intimidate the media and secure a multi-million dollar payout. The unique position of this merger necessitates the utmost transparency at the FCC. A matter of this significance deserves the scrutiny of the entire Commission. We urge you to only approve this merger through a full Commission vote.

Thank you for your attention to this important matter.

Sincerely,

Edward J. Markey

Edward J. Markey United States Senator

Ben Ray Lujan United States Senator

<sup>&</sup>lt;sup>5</sup> See Lauren Hirsch et al., *Paramount in Settlement Talks With Trump Over '60 Minutes' Lawsuit*, N.Y. Times (Jan. 30, 2025), <u>https://www.nytimes.com/2025/01/30/business/media/paramount-trump-cbs-news-settlement.html</u>.

<sup>&</sup>lt;sup>6</sup> Jessica Toonkel, *Paramount Executives Ask: Could They Be Sued for Settling Trump's \$20 Billion CBS Lawsuit?*, Wall St. J. (Feb. 14, 2025), <u>https://www.wsj.com/business/media/paramount-executives-ask-could-they-be-sued-for-settling-trumps-20-billion-cbs-lawsuit-228604a2</u>.

<sup>&</sup>lt;sup>7</sup> See, e.g., Michael R. Sisak, ABC agrees to give \$15 million to Donald Trump's presidential library to settle defamation lawsuit, Associated Press (Dec. 14, 2024), <u>https://apnews.com/article/abc-trump-lawsuit-defamation-stephanopoulos-04aea8663310af39ae2a85f4c1a56d68</u>.

<sup>&</sup>lt;sup>8</sup> See, e.g., Annie Linskey & Rebecca Ballhaus, *Meta to Pay \$25 Million to Settle 2021 Trump Lawsuit*, Wall St. J. (Jan. 29, 2025), <u>https://www.wsj.com/us-news/law/trump-signs-agreement-calling-for-meta-to-pay-25-million-to-settle-suit-6f734c8c</u>.

<sup>&</sup>lt;sup>9</sup> See, e.g., Annie Linskey & Rebecca Ballhaus, *Musk's X Agrees to Pay About \$10 Million to Settle Trump Lawsuit*, Wall St. J. (Feb. 12, 2025), <u>https://www.wsj.com/tech/musks-x-agrees-to-pay-about-10-million-to-settle-trump-lawsuit-a38348f8</u>.

<sup>&</sup>lt;sup>10</sup> See, e.g., Lucas Manfredi, Paramount-Skydance Merger Deadline Extended 90 Days as FCC Approval Remains in Limbo, The Wrap (Apr. 7, 2025), <u>https://www.thewrap.com/paramount-skydance-merger-closing-deadline-extended</u>.