"Lights, Camera, Competition": Promoting American Film Production
Statement of Matthew D. Loeb, International President
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Good morning Senator Schiff & Representatives. I want to thank you for the invitation to participate in this important hearing on behalf of the over 170,000 behind-the-scenes entertainment workers of the International Alliance of Theatrical Stage Employees (IATSE).

Film and television production creates good-paying, family-sustaining union jobs, and it's critical that Paramount Skydance's proposed purchase of Warner Brothers Discovery be evaluated from the perspective of American workers.

The loss of any independently operating producer and distributor of film and television content could have profound impacts for entertainment workers. Over the last decade, we have seen American studios offshoring production at alarming rates. As regulators and elected officials consider the Paramount-Warner combination, we are asking that particular attention be paid to ensuring that domestic production does not suffer further.

When major companies merge, workers often pay the price first. IATSE's position is that regulators should consider the effect of consolidation on labor markets, not only on consumer prices. In 2023, IATSE and the Directors Guild of America (DGA) issued joint comments in support of revised FTC-DOJ Merger Guidelines – an important course correction that restored the federal government's ability to review the impact of consolidation and vertical integration in the entertainment industry on our members and other workers in the film and television industry.

Past studio mergers have meant fewer jobs and disruptions to production. Redundancies following the Warner Bros.-Discovery and Disney-Fox mergers led to reductions in workforce that have the potential to occur downstream from a Paramount-Warner Bros. Discovery merger.

If Paramount Skydance is successful in their proposed acquisition of Warner Brothers Discovery, our primary interest is holding them accountable to the commitments they have made to Californian and American workers. CEO David Ellison has made a public commitment that Paramount Studios and Warner Bros. Studios will each produce a minimum of 15 high-quality feature films per year, for a total of at least 30 feature films annually. That level of production is needed in the United States if IATSE members are to continue to be able to make a living in the industry.

Work in the entertainment industry is precarious. It is primarily project, or "gig" based, meaning most IATSE workers perform freelance work outside of what is considered "regular employment." We've been in the "gig" economy since 1893. Project-based work in film and television production can be as short as a day for a commercial shoot, multiple months for a film production, or a couple years for a recurring television series. Entertainment workers can have multiple, if not dozens, of employers each year and those workers rely on project-based job opportunities to support themselves and their families.

Employment for below-the-line workers in Hollywood is down some 45 million hours per year since 2022. According to the January 2026 ProdPro report, the U.S. share of global production has dropped from 52% to 38% during the same period.

The American film and television industry faces an urgent threat from international competition. Foreign governments have successfully lured film and television productions, and the multitude of jobs they create, away from the United States with aggressive tax incentives and subsidies. Films intended for initial release in the U.S. are increasingly being shot overseas — and American workers are paying the price.

In just a few years, IATSE members have lost tens of thousands of jobs across the United States. That's thousands of families, small businesses, and communities across the country feeling the economic hardship of a shrinking industry.

Movies and television shows created primarily for U.S. audiences are being produced abroad — not because of better talent or technology, but because other countries recognize the value of these productions and are offering robust financial incentives that the U.S. simply doesn't match. While U.S. states have offered tax credits for production, in recent years state incentives have not been enough to prevent productions from moving overseas.

Without a comprehensive federal policy response, the U.S. risks turning its back on a signature American industry. Federal policymakers must act to level the playing field and make the U.S. film and television industry more competitive on the global stage. A globally competitive, labor-based incentive for U.S. production that supplements state incentives is essential to return and maintain film and television jobs in America.

IATSE is incredibly grateful to have champions like Senator Schiff and Representative Friedman working to solve this issue. Their strategic efforts have built momentum towards the introduction of a federal film and television production tax incentive and IATSE will continue its tireless advocacy with Congress and the White House to achieve that goal.