

Paramount Global to slash 15 percent of workforce as jobs disaster in film and television deepens

David Walsh
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Officials of beleaguered Paramount Global announced Thursday plans to cut 15 percent of the company's US workforce, or some 2,000 jobs. The layoffs are part of a company plan to lower costs by approximately \$500 million. The news of the job destruction, harming the lives of tens of thousands of people, caused the firm's stock price to "surge" on Friday.

Paramount, which eliminated 800 positions in February, is a US-based multinational entertainment conglomerate owned by National Amusements, the billionaire Redstone family business, which was recently sold to Skydance Media, a deal scheduled to be realized in 2025. Skydance was founded by David Ellison, son of another billionaire, Oracle's Larry Ellison, the ninth-richest person in the world.

Paramount's assets in the US include Paramount Pictures, the CBS Entertainment Group, BET Media Group, MTV, Nickelodeon, Comedy Central, CMT, Showtime and Paramount+.

The job cuts at Paramount were long expected. The workers are being made to pay for the ongoing sharp crisis in Hollywood and the profit drive of Wall Street and other financial sharks.

Also on Thursday, Paramount wrote down the value of its cable networks by nearly \$6 billion. MSN noted that Paramount "reported an 11% year-over-year decline in second-quarter sales to \$6.81 billion."

According to the *Hollywood Reporter*, in the wake of the Skydance purchase-merger, the areas at Paramount "hit will be redundant functions within marketing and communications and in finance, legal, technology and other support functions. These actions will take place in the coming weeks and will largely be completed by the end of the year, according to management."

Deadline writes that Paramount+, the company's streaming service, "is likely to take some of the brunt of the latest staff reductions as media companies, including Paramount, are trying to cut streaming losses by reducing spending and original output in the push to make their platforms profitable."

On Disney's quarterly earnings call Wednesday, *Deadline* observed, "CFO Hugh Johnston

hinted that new cost cuts may be in the offing, assuring Wall Street analysts that there would be more ways to do 'more with less' in the near future."

The same day, Warner Bros. Discovery, which has also laid off workers this year, reported it was taking a write-down of \$9.1 billion at its networks division "to align the book value of its linear television business with the reality of uncertain advertising and sports rights renewals. ... The value of the linear assets when Discovery and Warner Media merged two and half year ago (sic) was significantly higher than it is now as consumers migrated and advertising dipped. That's across the industry." (*Deadline*) Since the merger of Warner Media and Discovery became final in April 2022, "shares have fallen about 70%," comments CNBC.

Variety points out that the

cost-cutting targets of the Skydance team have been even more aggressive. Jeff Shell, set to become president of the combined company, has said Skydance, working with consulting firm Bain & Co., is aiming to achieve at least \$2 billion in annualized cost synergies at Paramount.

A jobs and career bloodbath is currently going on in the entertainment industry.

California's Employment Development Department reported more than 12,000 job losses from May 2023 to May 2024, with more anticipated at Warner Bros. and Disney, in addition now to the Paramount cuts.

But that doesn't begin to tell the whole story, in an industry where most workers are unemployed, "between jobs," at any given moment.

Tens of thousands have not been able to find *new jobs* this year in acting, writing, technical and other fields.

As a result, many in the industry are simply leaving the Los Angeles area, according to the *L.A. Times*. In "Hollywood's exodus: Why film and TV workers are leaving Los Angeles,"

the newspaper reported recently that as

the streaming boom has faded, entertainment companies have hemorrhaged jobs, and networks, studios and streamers have pared back their programming slates. ... Some have left for work in places like Atlanta and New Mexico ... Others have given up on the entertainment business altogether and are trying to forge new careers.

Driven as well by the introduction of Artificial Intelligence (AI), entire crafts and professions are on the chopping block. The goal of the conglomerates is to decrease the number of productions sharply, while reducing wide layers of cast and crew to casual workers, low-paid, almost instantly replaceable, at the slavish beck and call of the companies.

One recent report (from ProdPro) notes that over

the past 6 months, the total number of productions filming globally in 2024 is still 16% lower than in 2022, and 37% lower in the US. ... The lower volumes are here to stay. Comparing the number of productions that started principal photography in Q2 2024 to those in 2022, the US saw a decrease of approximately 40%, while globally there was a ~20% decrease.

Los Angeles on-location filming declined 12.4 percent year-over-year from April through June. Feature film production, FilmLA reports, fell 3.3 percent and commercial production 5.1 percent, but both figures seem “minor when compared to a steep plunge in unscripted television production. Filming of Reality TV fell -56.9 percent.”

Deadline has been running a series of articles on “Hollywood’s Mental Health Crisis.” It reports that it “has gathered a list of mental health resources for Hollywood union members who may need support during this time.”

These recent headlines provide something of a picture: “Hollywood Contraction Hits Entertainment Executive Jobs: ‘This Is A Full-Scale Depression,’” “This time last year, Hollywood writers were on strike. Now, many can’t find work,” “Why Hollywood jobs haven’t come back, in three charts,” “Hollywood execs call industry job cuts ‘full-scale depression’” and “Behind the stunning job losses in Hollywood: ‘The audience has moved on.’”

The Wrap recently described

a growing pool of Hollywood workers—both above and below the line—[who] are fighting to stay in the

industry to which they dedicated their careers. With jobs drying up and the uncertainties around artificial intelligence, the competition for gigs has become fierce, with hundreds of people applying for the same positions.

It depicted what it termed an “entertainment industry apocalypse.”

Entertainment and media companies, aside from Paramount, Warner Bros. and Disney, that have carried out job cuts so far this year include Fox Entertainment, CNN, Pixar, Take-Two, Marvel, Participant, Electronic Arts, Chicken Soup for the Soul, Entertainment Tonight, Bungie (Sony-owned game developer), Rooster Teeth, BuzzFeed, PlayStation and Vice Media Group.

With the ratification of the Basic Crafts agreement, between the Alliance of Motion Picture and Television Producers (AMPTP) and Teamsters Local 399, the International Brotherhood of Electrical Workers Local 40 (IBEW), Laborers International Union of North America Local 724 and two smaller craft unions, Hollywood has attained “labor peace” for the moment.

The Writers and Directors Guild, SAG-AFTRA, IATSE and now the Teamsters and company have helped the companies prepare for their new assault on workers’ jobs and conditions. Aside from relatively meager wage increases, which will be quickly swallowed up by rising housing, food and transportation costs, the unions obtained nothing in the negotiations. Their vaunted “protections” against AI are not worth the paper they are written on. The companies, under Wall Street’s whip, are on the warpath. They will wring “consent” from actors and others for the use of their replicas, or simply find means of going around that requirement, in the time-honored criminal manner of the studios.

Organizations that accept the present economic and cultural status quo, in which the vast film, television and media resources are the mere private playthings of pirate-parasites like Iger, Ellison, Redstone, Bezos, Zaslav, Sarandos and the others, will acquiesce in the end to every action the conglomerates take, even if it means the destruction of wide swaths of the industry.

The giant firms need to become public utilities, organized and operated by those who create everything of value in film and television—the writers, directors, actors, technicians and crew members.



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