

With Comcast out, how Disney's empire will look with Fox

July 19 2018, by Mae Anderson



This March 29, 2017, file photo shows a sign outside the Comcast Center in Philadelphia. Comcast says it's dropping out of the bidding war for Twenty-First Century Fox's entertainment business, instead focusing on its bid for Sky. (AP Photo/Matt Rourke, File)

The Mouse House is getting close to catching the Fox.

Comcast's decision Thursday to drop its bid for the bulk of Twenty-First

Century Fox means Disney's \$71.3 billion offer for Fox is likely to prevail. Fox shareholders vote on the offer on July 27. Meanwhile, Comcast is pursuing Sky, a European pay-TV operator that Fox partially owns.

The moves come as the media landscape is shifting dramatically. Cable and telecom companies are acquiring content makers to better compete with the likes of popular streaming services like Netflix and Amazon. Last month, AT&T bought Time Warner, getting the Warner Bros. studio and such channels as TBS and HBO.

So what would a combination of Disney and Fox look like, as well as a combination of Comcast and Sky? Here's a look at what each company would be taking away if the deals go through.

MOVIES

X-Men and other movies from Fox's studios could be added to Disney's upcoming streaming service. Fox's film studios, with "Avatar," X-Men, the Fantastic Four and Deadpool, would pair well with Disney's studios. This includes reuniting the Marvel franchises X-Men and the Avengers, as some of those characters were already in Fox's hands when Disney bought Marvel in 2009. Disney also has the Muppets, Pixar and "Star Wars."

BTIG analyst Richard Greenfield estimates the combined studios make up 45 percent of worldwide box office revenue. A larger studio could use its power to keep its movies in more theaters longer and squeeze out rival movies.

TELEVISION

Fox's TV productions include "The Americans," "This Is Us," "Modern

Family," and "The Simpsons." Its networks include FX Networks and National Geographic. The Fox businesses would add to Disney's roster of channels like ABC, the Disney Channel and Freeform. "Modern Family" already airs on ABC.

SPORTS



This June 14, 2018, file photo shows the 21st Century Fox logo outside its New York office. Comcast says it's dropping out of the bidding war for Twenty-First Century Fox's entertainment business, instead focusing on its bid for Sky.(AP Photo/Mark Lennihan, File)

Disney would have to sell Fox's 22 regional sports networks to satisfy the government's antitrust concerns, as Disney already owns a national sports network, ESPN. Buyers haven't been announced yet. The regional

networks hold TV rights to professional hockey, basketball and baseball games and show hometown sports in several cities including New York, Los Angeles, Dallas, Cleveland, Detroit and Kansas City.

STREAMING

Disney would get controlling stake in streaming service Hulu. Comcast, Disney and Fox now own 30 percent apiece, with AT&T owning the other 10 percent through Time Warner. With Fox's share, Disney would have a controlling 60 percent stake.

Disney already plans an entertainment-focused streaming service in 2019, so it could combine that with Hulu or keep them as separate services.

INTERNATIONAL

If Comcast's Sky bid prevails, Comcast would own the European pay-TV operator. Sky operates in Austria, Germany, Ireland, Italy and the U.K. It has 22.5 million customers, attracted by offerings such as English Premier League soccer and "Game of Thrones."

Disney would get other international properties from Fox, including Star India, a major Mumbai-based media company with dozens of sports and entertainment channels; Tata Sky, an Indian satellite TV provider; and Endemol Shine Group, a Dutch-based media company.

THEME PARKS

Disney has made extensive use of its portfolio at its [theme parks](#) in California, Florida and overseas. Disney, for instance, is expanding its attractions related to "Star Wars." On the flip side, Disney turned its Pirates of the Caribbean ride into a major movie franchise.

Disney would be able to expand its opportunities with Fox, though theme parks have historically been able to reach licensing deals with rival studios. Comcast's Universal, for instance, has rides based on Fox's "The Simpsons" and Warner Bros.' "Harry Potter." Disney has licensed Fox's "Avatar" for its "Pandora" park within Walt Disney World.

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