

Audiences return to compelling content,' says media M&A attorney Tom Ara

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Iris Dorbian

Dealmaking in Hollywood has slowed to a crawl this year. Much of the downturn can be attributed to the sluggish economic climate that persisted in early 2025, compounded by the lingering effects of the actors' and writers' strikes from two years ago.

Yet deals are still being inked, even if they're not at the breakneck pace or lofty valuations as they were before the industry disruptions.

Tom Ara, a seasoned private equity lawyer, is among those who have made the entertainment space a core part of their practice. He has spent nearly 30 years immersed in the sector.



Tom Ara, Weil, Gotshal & Manges

LLP

A recent example of a private equity deal that he advised was [Coral Tree Partners](#)' May [investment in talent agency Innovative Artists](#).

This past June, the Los Angeles-based Ara marked another milestone in his career when he joined Weil, Gotshal & Manges as a partner in the law firm's US private equity group and head of its media, entertainment and sports practice. Previously, he was a partner at DLA Piper, where he also served as global and US co-lead of their media, sports and entertainment group.

As part of *PE Hub*'s ongoing Q&A series with thought leaders in private equity, *PE Hub* recently spoke to Ara to discuss the trends shaping dealmaking involving content. He also offered his outlook for the remainder of 2025.

How do you describe the private equity investor appetite for the entertainment and media sector right now?

The appetite is real and it's meaningful. Private equity tends to operate at scale in this sector, and there are fewer opportunities at that altitude than there used to be. For firms focused on larger checks, the menu is limited, but interest has not waned. Some investors are highly specialized within subsectors, while others take a more platform-oriented, sector-wide approach; the former group is larger than the latter.

What challenges are affecting PE deals in entertainment and media?

Many are sector-wide. AI is a prime example: it creates both uncertainty and opportunity, particularly around the durability and monetization of content.

On a mechanical level, this is a capital-intensive business. Backing major studio-level projects requires deep, patient capital structures and recoupment cycles can be long. Compounding that, distribution windows that once anchored forecasting – theatrical, pay TV, home entertainment – have compressed and shifted. The model keeps evolving, and investors need to underwrite to agility.

What are some interesting trends and developments you're seeing?

Consolidation remains a defining theme, particularly in and around premium content. Internationally, certain creative markets continue to punch above their weight and shape global culture, supported by strong public and private ecosystems. At the same time, we're seeing a push toward curated, narrative short-form content built for mobile consumption, as an alternative to purely viral or polarizing content.

The strategic question for most players is how to stay truly global. You can't be purely US-centric anymore. Tax incentives have moved significant production abroad, and local industries have become more sophisticated, producing high-quality, language-local content for increasingly discerning audiences.

What's your forecast for dealmaking in the entertainment and media sector for the rest of 2025?

It's hard to predict how many transactions will close by year-end, but the rate environment is starting to turn, geopolitical risks feel more knowable and the first-half slowdown has created pent-up demand. I expect to see capital deployed into several significant deals over the coming months – either new launches or closings already in motion. We have a few in our pipeline, and I'm optimistic.

At the end of the day, filmed entertainment remains a relatively accessible, high-impact form of escape and engagement. Despite broader macro concerns, audiences return to compelling content, and that resiliency underpins my outlook.

For more thought leader Q&As, check out reporter Rafael Canton's [recent interview with Mark Cuban](#), where the latter shares his sports investment strategy with PE Hub. And from last July, read PE Hub editor-in-chief Mary Kathleen Flynn's [interview with](#)

***David Sambur**, partner and co-head of equity at **Apollo Global Management**, in which he discusses his outlook for dealmaking in H2.*