Paramount in Settlement Talks With Trump Over '60 Minutes' Lawsuit

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By Lauren Hirsch, James B. Stewart and Michael M. Grynbaum New York Times

When Donald J. Trump sued CBS for \$10 billion days before the 2024 election, accusing the company of deceptively editing a "60 Minutes" interview with Vice President Kamala Harris, many legal experts dismissed the litigation as a far-fetched attempt to punish an out-of-favor news outlet.

Now Mr. Trump is back in the White House, and many executives at CBS's parent company, Paramount, believe that settling the lawsuit would increase the odds that the Trump administration does not block or delay their planned multibillion-dollar merger with another company, according to several people with knowledge of the matter.

Settlement discussions between representatives of Paramount and Mr. Trump are now underway, according to three people with knowledge of the talks. There is no assurance, though, that they will result in a deal, and it is unclear what the terms of any such deal might include.

Shari Redstone, Paramount's controlling shareholder, strongly supports the effort to settle, according to two people with knowledge of her thinking. Ms. Redstone stands to clear billions of dollars on the sale of Paramount, the media empire founded by her father Sumner Redstone, in a deal with Skydance, an entertainment company backed by the billionaire Larry Ellison and run by his son David.

A settlement would be an extraordinary concession by a major U.S. media company to a sitting president, especially in a case in which there is no evidence that the network got facts wrong or damaged the plaintiff's reputation.

It could also cause an uproar within CBS News and among the "60 Minutes" staff. Journalists at the network have expressed deep concern about the notion of their parent company settling litigation that they consider tantamount to a politician's standardissue gripes about a news organization's editorial judgment, according to several people familiar with internal discussions.

Edward Paltzik, Mr. Trump's lawyer on the case, wrote in a statement on Thursday: "Real accountability for CBS and Paramount will ensure that the president is

compensated for the harm done to him, and will deter the Fake News from further distorting the facts to advance a partisan agenda. President Trump looks forward to seeing this case through to a just conclusion."

During the "60 Minutes" interview at the center of the lawsuit, which aired in October, the CBS correspondent Bill Whitaker asked Ms. Harris a question about the conflict in the Middle East.

In a preview of the interview that aired on "Face the Nation," CBS's Sunday morning show, Ms. Harris was shown giving a different answer than the one she gave in the version of the interview that was broadcast the next evening on "60 Minutes."

Mr. Trump's team accused "60 Minutes" of selecting a more coherent quote from Ms. Harris for the prime-time telecast in order to boost her candidacy. CBS News said that Ms. Harris had given one lengthy answer to Mr. Whitaker's question, and that the network followed standard journalistic practice by airing a different portion of her answer in prime-time because of time constraints.

"The interview was not doctored," CBS News said <u>in a statement</u> in October, adding that it "did not hide any part of" Ms. Harris's answer. At the time, the network described Mr. Trump's lawsuit as "completely without merit."

Mr. Trump's legal complaint relied on a largely untested interpretation of a Texas law that prohibits deceptive trade practices in things like marketing products to consumers. Among other objections to the lawsuit, CBS lawyers have noted that Mr. Trump's standing to bring the suit in Texas was tenuous at best.

Regardless of the lawsuit's merit, Mr. Trump's administration wields leverage. Because Paramount owns broadcasting licenses, it needs the blessing of the Federal Communications Commission to complete its planned merger with Skydance.

People inside Paramount have been expecting the F.C.C., which is now led by a Trump appointee, Brendan Carr, to request that CBS News hand over an unedited transcript of its interview with Ms. Harris, according to people with knowledge of the plans. CBS had refused previous requests from Mr. Trump's lawyers to release the transcript.

Mr. Carr has said that the commission would probably look into the "60 Minutes" interview as part of its review of the Paramount merger.

Mr. Trump's demonization of the news media is a centerpiece of his political rise, and he has repeatedly clashed with "60 Minutes," which is the country's most popular television news show. He declined to be interviewed by the program during last year's presidential race. In 2020, Mr. Trump <u>cut short</u> an interview with Lesley Stahl after becoming irritated with her questions; his campaign then <u>posted unfiltered footage</u> from the interview online.

In recent months, "60 Minutes" has also faced scrutiny from Ms. Redstone herself, who complained to CBS executives about <u>a story</u> featuring State Department employees who expressed misgivings about the Biden administration's handling of the war between Israel and Hamas, according to two people familiar with the matter. One day after the segment aired, CBS News installed a longtime producer, Susan Zirinsky, as an interim executive editor overseeing journalistic standards and practices.

The Wall Street Journal <u>earlier reported</u> that Paramount executives were discussing a possible settlement internally. If the company reaches such a deal, it would be at least the third major company in recent weeks to settle a lawsuit brought by Mr. Trump.

Last month, ABC News <u>paid \$15 million</u> to resolve Mr. Trump's defamation lawsuit against the network and its anchor George Stephanopoulos, who had imprecisely said that the president had been found "liable for rape" in a civil trial in New York. (In fact, Mr. Trump had been found liable for sexual abuse.)

And on Wednesday, Meta, the parent company of Facebook and Instagram, said it had <u>agreed to</u> a \$25 million settlement to resolve a lawsuit that Mr. Trump filed after the social networks suspended his accounts in 2021.

Benjamin Mullin and David Enrich contributed reporting.