

Days after buying Time Warner, AT&T launches new TV service

June 21 2018, by Mae Anderson



In this Wednesday, June 13, 2018, file photo, the logos for Time Warner and AT&T appear above alternate trading posts on the floor of the New York Stock Exchange. AT&T is launching a new streaming service incorporating networks from the Time Warner company it just bought for \$81 billion. Thursday, June 21, announcement comes just days after AT&T closed its Time Warner deal. (AP Photo/Richard Drew, File)

AT&T is launching a new streaming service incorporating television

networks from the Time Warner company it just bought.

The WatchTV [service](#), a cable-like package of more than 30 TV channels delivered over the internet, is an example of the "skinny bundles" coming from telecom and broadband providers as more people watch TV online. Competitors include Sling TV, PlayStation Vue and AT&T's own DirecTV Now.

WatchTV will be free for subscribers of two unlimited wireless plans AT&T is launching. Others can get WatchTV for \$15—\$20 less than DirecTV Now, but with just half the channels.

Thursday's announcement comes just days after AT&T closed its \$81 billion Time Warner deal. AT&T said it needs to combine its distribution channels with entertainment properties to compete with internet-based rivals like Amazon, Netflix and Google, although the wireless carrier has a direct connection to its 92 million subscribers that its internet rivals do not. The Department of Justice sued to block the Time Warner deal on anti-competition concerns, but a federal judge sided with AT&T.

WatchTV is the first example of how AT&T plans to marry distribution and programming from Time Warner. If it gets enough subscribers, it will be able to collect valuable data and offer more personalized content—and ads.



This July 27, 2017, file photo shows an AT&T logo at a store in Hialeah, Fla. AT&T is launching a new streaming service incorporating networks from the Time Warner company it just bought for \$81 billion. Thursday, June 21, announcement comes just days after AT&T closed its Time Warner deal. (AP Photo/Alan Diaz, File)

But with people paying for a growing number of services like HBO, Hulu, Netflix and DirectTV Now, streaming can end up being just as expensive as cable, if not more so.

The new service will offer 31 channels at launch, including CNN, TBS and TNT—all part of Time Warner's Turner networks. It won't feature any sports networks—no ESPN for subscribers—but is heavy on news and entertainment offerings such as AMC, the History Channel, BBC America, Lifetime and Oprah Winfrey's OWN.

Six more channels, including Comedy Central, will be available "soon

after launch," according to a lineup provided by AT&T.

DirecTV Now starts at \$35 a month for more than 60 channels, including sports channels, with additional channels available at higher prices.

The new wireless plans will be AT&T's only unlimited offerings for new customers, though existing customers can keep their current plans. They would need to upgrade to a new plan, though, to get WatchTV for free. The new plans start at \$70 a month for a single line, \$5 more than the current cheapest plan, though the new plans offer more benefits, too.

Subscribers of current and new plans can also get \$15 a month off DirecTV Now. However, AT&T will no longer include HBO for free on all unlimited plans, although the more expensive of the two plans, which starts at \$80, will offer one free premium video or music service, such as HBO, Showtime or Amazon Music Unlimited. HBO is also part of Time Warner.

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