

Disney unveils streaming TV services, including one for sports

NEW YORK - Walt Disney Co. said Tuesday it is launching two new streaming television services including one for its ESPN-branded sports channel, while ending its deal with Netflix as it shifts towards direct content distribution.



Walt Disney Company chairman and CEO Robert Iger says two new streaming television services represent a "strategic shift" for the media-entertainment giant. [AFP.com](https://www.afp.com)

The media-entertainment giant called the move "a strategic shift in the way we distribute our content" in an industry moving to online services.

Disney said in a statement it would offer a "multi-sport video streaming service" with its ESPN brand in early 2018 followed by "a new Disney-branded direct-to-consumer streaming service in 2019."

The announcement coincided with Disney's boosting its stake in the streaming technology group BAMTech LLC.

Disney said it would pay \$1.58 billion to acquire an additional 42 percent stake in BAMTech to bring its ownership to 75 percent.

The move could accelerate the trend toward "cord cutting" in which consumers drop extensive cable TV bundles in favor of

streaming services such as Netflix.

"The media landscape is increasingly defined by direct relationships between content creators and consumers, and our control of BAMTech's full array of innovative technology will give us the power to forge those connections, along with the flexibility to quickly adapt to shifts in the market," said Robert Iger, Disney chairman and chief executive.

"This acquisition and the launch of our direct-to-consumer services mark an entirely new growth strategy for the company, one that takes advantage of the incredible opportunity that changing technology provides us to leverage the strength of our great brands."

With the shift, Disney said it would end its distribution agreement with Netflix for subscription streaming of new releases, beginning with the 2019 calendar year theatrical slate.

Disney will draw on its own content from its film and television catalog for its consumer channel, and offer a sports service which could fill a gap by delivering live sporting events.

The new ESPN service will air some 10,000 events a year, including Major League Baseball, National Hockey League, Major League Soccer, Grand Slam tennis, and college sports.

Disney, which also owns the ABC television network, said its consumer channel would include its Disney and Pixar movies and content from the Disney Channel, Disney Junior and Disney XD.

The company said separately it posted a profit of \$3.33 billion in the quarter ending July 1, a drop of nine percent from a year ago, on revenues unchanged from last year at \$14.2 billion.

Source: AFP

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