

[Philly.com](#)
[Pa. federal judge](#)
[Thomas Hardiman](#)
[likely to be](#)
[considered for U.S.](#)
[Supreme Court](#)

[Bleeping](#)
[Computer](#)
[Facebook, Google](#)
[Manipulate Users to](#)
[Share Personal Data](#)
[Despite GDPR](#)

[Wall Street](#)
[Journal](#)
[Google Reins In](#)
[Workplace Debate](#)
(Subscription Required)

[Associated Press](#)
[Disney's bid for Fox](#)
[clears U.S. antitrust](#)
[hurdle](#)

[CNet](#)
[Google opens its](#)
[human-sounding](#)
[Duplex AI to public](#)
[testing](#)

[Associated Press](#)
[AT&T antitrust win](#)
[may herald new](#)
[wave of media](#)
[mergers](#)

[TechCrunch](#)
[Instagram Lite](#)
[quietly launches to](#)
[find a billion more](#)
[users abroad](#)

Apple is considering creating a single subscription offering that would encompass its original TV shows, music service and magazine articles, two people familiar with the company's plans told The Information.

Such an ambitious offering would bear some similarity to Amazon's Prime service, which spans video, music and some news. Yet it would be sharply different from many other subscription media services, which tend to be focused on one specific entertainment area. Depending on the price charged, it could give Apple a boost in its efforts to develop subscription revenue, reducing its reliance on sales of iPhone and other hardware.

As a first step toward the new offering, Apple is expected to launch a digital news subscription service next year. The service would combine its existing Apple News app with a digital magazine subscription service acquired by Apple in March. The subscription service, Texture, offers more than 200 publications including The New Yorker and Vanity Fair for \$9.99 a month.

As the next step, Apple is looking to bundle the digital news subscription offering with the video content it has begun producing and its Apple Music subscription service, which has grown to 40 million paid subscribers since 2015. It is unclear when Apple will unveil the new subscription offering, the people said. The company also would continue to allow subscribers to sign up for each of the services separately.

Analysts have occasionally speculated that Apple could go the route of combining various products, noting it could help them differentiate their services from Netflix and Amazon. In a research report this week, RBC Capital Markets Analyst Amit Daryanani said such a bundle could more than double Apple Music's subscriber numbers to more than 100 million in the next three years. Earlier this month, the Wall Street Journal reported that a subscription service could include iCloud storage and possibly other services like magazines.

The new subscription offering starts to answer the question of how Apple plans to make its slate of original shows available. Apple, which hired Jamie Erlicht and Zack van Amburg from Sony Pictures last June, reportedly has set a \$1 billion budget for content acquisition and programming for 2018. While well below the \$5 billion Amazon is spending and Netflix's \$8 billion-plus budget, the sum is a big new bet for a company that has always shied away from buying content, relying on extensive partnerships with television and movie studios with iTunes.

Over the past few weeks it has announced a multi-year agreement with Oprah Winfrey to do shows for its service as well as a deal with Sesame Workshop for children's programming.

But questions remain about Apple's ultimate TV distribution strategy, which is overseen by software and services chief, Eddy Cue. It isn't clear if Apple would roll out some of its original programming for free

initially and then bundle it with the other services, the people said. The discussions at Apple are still ongoing about what the subscription service ultimately will look like and could change, they said.

An Apple spokesman declined to comment.

Apple isn't alone in looking to bundle different kinds of content for subscribers. Music streaming service Spotify this week announced it had hired Dawn Ostroff, who ran Conde Nast Entertainment's video operation for the past seven years, raising speculation that Spotify is going to make a bigger push into video. Google's YouTube also has a premium subscription service, costing \$11.99 a month, that includes both music and video.

Apple also has an opportunity to curate music, reading and original content to better target subscribers in a way that Amazon has been unable to do. According to a recent survey by MoffettNathanson, two-thirds of the 1,300 survey respondents who had Amazon Prime reported they use the free video service. This spring Amazon CEO Jeff Bezos disclosed that Amazon Prime had more than 100 million subscribers.

One of the big questions is whether Apple can charge enough to make money and still attract subscribers. Many subscription services, particularly in video, have found that difficult. Netflix, for instance, is burning through billions of dollars a year in funding new programming. Also unclear is how Apple will compensate any media companies that supply content, most obviously in the magazine area. - ***The Information***



First in Broadband.
The Future of Broadband.®