

Everything you need to know about ESPN, Fox, and WBD's sports streaming service

Article

The news: ESPN, Fox, and Warner Bros. Discovery will launch a joint streaming service this year that will include each company's sports content from linear TV, a bombshell agreement

announced on Tuesday that will reshape the sports and streaming landscape.

The details: The yet-to-be-named streaming service will be operated by its own management team, with the three networks holding one-third ownership.

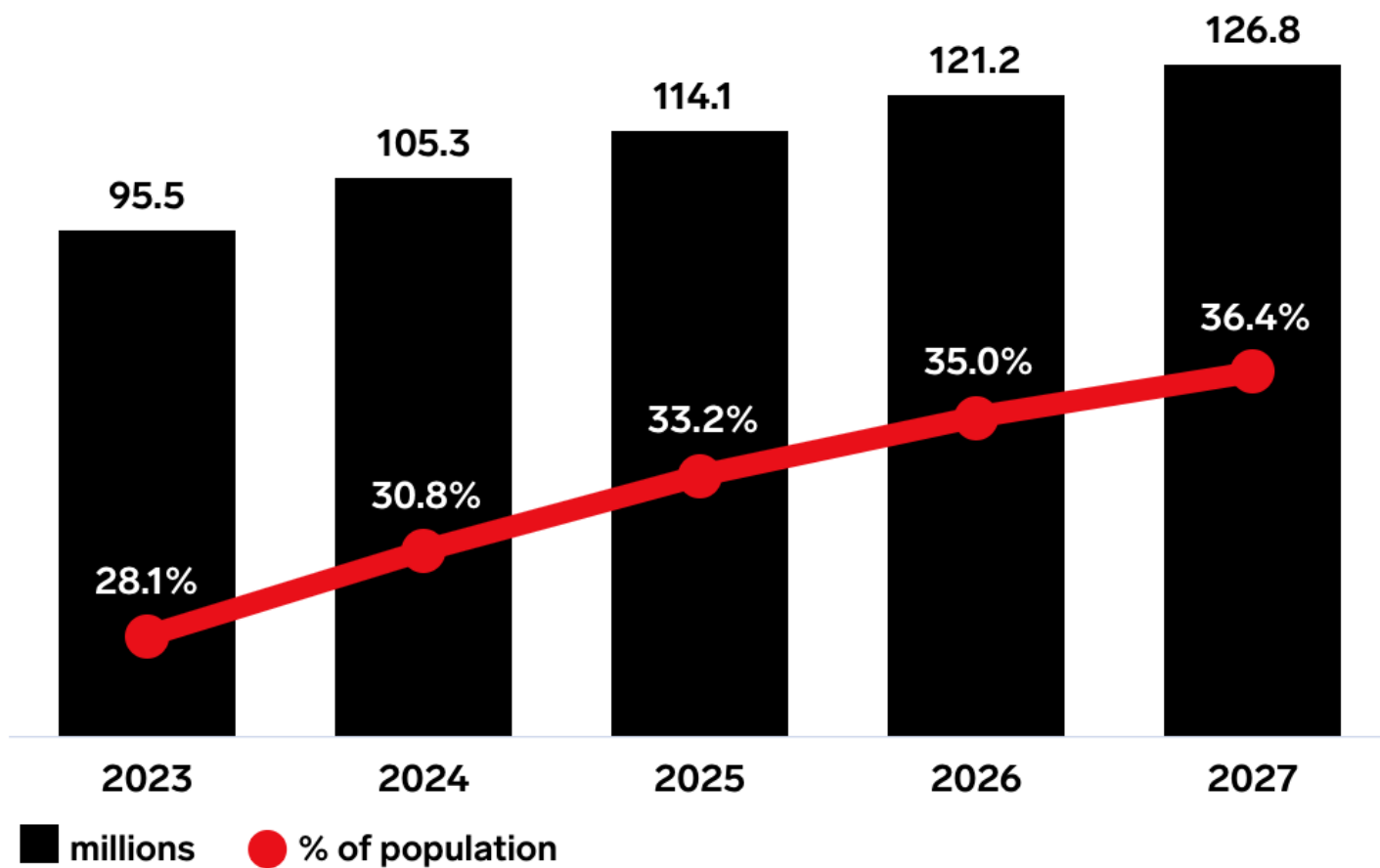
- Pricing information has not been revealed, but the venture will tap into a [growing appetite for bundles](#): Consumers can sign up for the service directly via a new app, or they can bundle the service with **Disney+**, **Hulu**, and **Max**.
- The overlapping sports rights between the three partners include access to the most popular sports leagues in the US, including the **NFL**, **NHL**, **MLB**, **NBA**, college sports, and more.

A game changer: With streaming costs ballooning, subscription growth slowing (outside of [password sharing](#) changes), and rights deals selling for billions, streamers have been under increased pressure to partner with their rivals to offer bundles and share the burden.

- Sports is one of the last remaining bastions for ad spending on linear TV—the NFL alone made up 93 of the 100 most-watched broadcasts in 2023. But with viewership inevitably shifting toward digital channels, a frenzy has erupted over the last two years as companies look to strike deals with sports leagues for streaming rights.
- The result is a relatively fractured streaming landscape. Sports leagues are scattered across different viewing channels, with the NFL in particular having sectioned off games to several streamers and networks.
- But the new streaming venture solves that problem by combining the hefty rights packages of three networks into one—and bundling them with “standard” streaming services, to boot. If the price is right, consumers looking to get their streaming entertainment and sports from one location will have a relatively easy choice.

Digital Live Sports Viewers

US, 2023-2027



Note: individuals of any age who watch live sports content at least once per month over the course of the season of at least one sport on digital platforms such as OTT, TV Everywhere and vMVPDs; excludes highlight viewing and viewing of nonlive content; excludes esports; excludes Olympics content

Source: Insider Intelligence | eMarketer, March 2023

Insider Intelligence | eMarketer

What the future holds: The newly announced venture capitalizes on several trends in the streaming business that could set it up to fundamentally shift the industry's power dynamics for years to come.

- Disney spent the latter half of 2023 publicly shopping for “[strategic partners](#)” for an ESPN streaming venture; it appears to have found some in Fox and WBD. The company added on Wednesday that ESPN will **start a standalone direct-to-consumer service** in 2025 that will include all its channels as well as fantasy platforms and [ESPN Bet](#).
- The first major test of the streaming giant’s negotiating power will come in 2025, when the NBA’s current rights deal expires. **Amazon** has reportedly expressed interest and is seeing strong growth from NFL **Thursday Night Football**. But the audience Disney, WBD, and Fox’s service offers may be too large to turn down.
- The Hulu-like ownership model could assuage any potential antitrust concerns about one company owning too much of the streaming market—but it could also set up a future showdown over larger shares of ownership, akin to [Disney’s clash](#) with **Comcast**.