

Report: AT&T has set a timeline to phase out satellites and set-top boxes - Dallas Business Journal

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[AT&T](#) – which is expected to premier its streaming service [DirecTV](#) Now later this year – will work to make streaming its primary TV platform by 2020, according to a report from Bloomberg.

Under the timeline, set-top boxes and satellite dishes could be obsolete in three to five years, according to the [report](#), which cites people familiar with the plans.



View of a DirecTV satellite dish outside a home in Atlanta, Georgia.

Chris Rank

Dallas-based AT&T (NYSE: T) has claimed no allegiance to satellite TV technology from day one of its \$48.5 billion acquisition of DirecTV, but it hasn't publicly provided any definitive answers or a timeline on a migration of its 25 million video subscribers toward [the software-centric future of TV](#).

The company has, however, said it has much to gain from a move toward streaming as it integrates its mobile and broadband businesses with its entertainment wing.

Earlier this week, [CEO Randall Stephenson revealed one way it will leverage that position](#). AT&T mobile subscribers will be able to use unlimited data on DirecTV Now without it counting against their monthly usage caps.

"To the extent that it's driving further penetration in wireless or driving churn down in wireless, the lifetime value of a customer with this kind of product is actually quite attractive," Stephenson said of DirecTV Now.

The technology world is awaiting [the arrival of 5G wireless](#), which is expected to provide the bandwidths needed to more seamlessly power high definition and 4K video, among other products.

AT&T Entertainment Group CEO [John Stankey](#) spoke to the changing platforms that will deliver entertainment and how the shift might impact the shelf life of satellite dishes and set-top boxes during [a previous interview with the Dallas Business Journal](#).

"There's going to be segments of the population that are going to continue to use satellite for a period of time to come," he said. AT&T is well-positioned for a move away from legacy hardware, Stankey said, because of its wireless and broadband businesses.

"We do believe that customers moving forward are going to buy their products and services over a variety of different distribution technologies," he said.

AT&T currently has about 20.5 million DirecTV connections and about 4.8 million U-Verse connections, and the gap between the two numbers is growing. The company recently [scaled back its U-Verse branding](#), removing the name from its internet and phone products.

Shawn Shinneman covers technology for the Dallas Business Journal.