



**>: The Big Apple**

*Wednesday, September 13, 2006 / Wayne Mulligan*

What a day, what a day. Since the sun rose this morning (and even before then) the Tech Community has been abuzz with talk of Apple's (Nasdaq: AAPL) media event, "It's Showtime?".

The regular "It's Showtime" event you have come to expect (and love) is being replaced by a much bigger announcement! Sites were conducting link-baiting to bring the 100 million people who are watching and listening to the event. The regular "It's Showtime" event you have come to expect (and love) is being replaced by a much bigger announcement! Sites were conducting link-baiting to bring the 100 million people who are watching and listening to the event. The regular "It's Showtime" event you have come to expect (and love) is being replaced by a much bigger announcement! Sites were conducting link-baiting to bring the 100 million people who are watching and listening to the event.

As of this morning, the "Apple iTunes Store" as you can see the word "music" was conspicuously omitted from the title. And iPod advertisements were removed from Best Buy and Circuit City circulars that went out with last weekend's paper.

Most people thought that the announcement would be for either a new iTunes Movie Download service, or a new Video iPod or better yet, BOTH!

Up until the *last minute*, votes, opinions and discussions were flying onto various technology sites. Prominent Tech bloggers, such as Michael Arrington, were blogging LIVE from the Apple event.

And yours truly was waiting in front of the computer screen, breathless with anticipation of the announcement Apple would be making today.

This is the Apple "buzz machine" at its finest. As one blogger put it, "I've never seen so many people this excited about giving their money to a company."

It really is a remarkable phenomenon!

## Back to the announcement ?

So, was it a new iPod?

Was it a new iTunes Movie Service?

Was it a new hardware product that can stream movies from your computer to your TV on the fly?

Is the suspense killing you or annoying you?

Ok fine ? let me give it to you short and sweet already ...

There's no new iPod video product ? the same iPod video that we've always had, we'll continue to have for the foreseeable future ... although with a slightly lower price tag.

I have to admit that this was a bit of a disappointment, but Mr. Jobs still had some moderately exciting hardware announcements to kick things off.

Ok, so you must be asking, "Well why did they close the iTunes store then?"

Reason being, Apple is launching a movie download service.

As of today, you can now download movies from the 4 major Disney (NYSE: DIS) studios: Disney, Pixar, TouchStone and Miramax. As of today, there will be a total of 75 movies on the system, including Finding Nemo, Pirates of the Caribbean, and Goodwill Hunting.

New releases will be out on the same day as the DVD, and will cost \$12.99. All other flicks will cost \$9.99.

There will be an average of a 30 minute download time, and you can watch movies as they come in.

Not what most people were hoping for, but Apple is certainly making some progress.

And then when everybody thought the event was over, Mr. Jobs made his BIG announcement.

Now, I'm not a real "gadget guy" ? I wasn't the first one with a Palm Pilot or an iPod ? so I don't get too excited about new product releases, but this is pretty cool!

*Apple is calling it the iTV (name change coming soon). It's a device that allows you to get your movies from your computer right onto your home television!*

That's right ? now you can download movies from the iTunes Store ... store and view them on your iPod ... and also watch them from the comfort of your living room couch on your TV *without* stringing wires all over your home.?

The device operates wirelessly, and can connect to a regular or High Definition Television. It's coming out early next year, and is both Mac and PC compatible.

This could be huge for Apple, as this is really the first device to realize the vision put forth so many years ago of digital convergence ? all devices being linked through the Internet.

Now, what does that mean for Apple's stock?

## Looking Ahead