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Apple Orders More Than 5 Million Watches for Initial Run

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The Apple Watch Sport, the entry-level model, on display last fall

Agence France-Presse/Getty Images

Apple has asked its suppliers in Asia to make a combined five to six million units of its three Apple Watch models during the first quarter ahead of the product's release in April, according to people familiar with the matter.

Half of the first-quarter production order is earmarked for the entry-level Apple Watch Sport model, while the mid-tiered Apple Watch is expected to account for one-third of output, one of these people said.

Orders for Apple Watch Edition – the high-end model featuring 18-karat gold casing – are relatively small in the first quarter but Apple plans to start producing more than one million units per month in the second quarter, the person said. Analysts expect demand for the high-end watches to be strong in China where Apple's sales are booming.

Apple Watch Sport will start at \$349. Apple hasn't announced pricing for the other models, but Apple Watch Edition is expected to be among the most expensive products the company has ever sold, likely surpassing the \$4,000 Mac Pro computer.

Apple sets production plans based on its forecast of demand for the new product. But Apple quickly adjusts these plans if sales are different than what it estimated. Suppliers say that Apple adjusts its so-called "plan of record" more often and more quickly than any other consumer-electronics company.

The orders are similar to early sales of Apple's last major all-new product. Apple sold 7.5 million iPads in the six months after it arrived in April 2010.

They indicate that Apple expects its watch to far outpace other wearable devices, from [Samsung Electronics](#) , [LG Electronics](#) , Sony, [Motorola](#) and a host of fitness trackers. Research firm Canalys said last week that just 720,000 smartwatches powered by Android Wear, [Google](#) 's operating system for wearable devices, shipped in the last six months of 2014.

Apple declined to comment.

Apple Watch is the company's first all-new product since the iPad. During development, the company [studied a wide range of advanced health features](#) for the Watch before scaling back its ambition for a device that does a little bit of everything.

Taiwan-based [Quanta Computer](#) , the sole assembler of Apple Watch, started mass production of the new gadget earlier this year. To get ready for the April launch, thousands of Chinese workers will continue to work round the clock during the Chinese New Year holidays at Quanta's factory in Changshu, China, said one person.

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