

Microsoft Pulls Distribution Out of Germany

Written by Marco Attard
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Reuters reports Microsoft is pulling its European software distribution operations from Germany to the Netherlands due to the web of patent disputes it is going through with Motorola Mobility.



Motorola is suing Microsoft over use of the H.264 video codec standard-- and the decision the Mannheim Regional Court does on April 17 has the power to ban Windows 7 (and related technologies such as Media Player) and Xbox sales in the biggest European economy, as well as other countries the German centre supplies.

"We would have preferred to keep our European distribution center in Germany, where it has been for many years. But unfortunately the risk from disruptions from Motorola's patent litigation is simply too high," Microsoft says.

Motorola demands billions of dollars in H.264-related royalties.

Microsoft's German warehouse and distribution operation was operated by Bertelsmann subsidiary Arvato, and is based in North Rhine-Westphalia. The company gives no details where the Netherlands distribution centre will be located.

According legal blog *FOSS Patents* Germany is dangerous territory for patents disputes-- the German legal system allows the abuse of standards-essential patents (like H.264) by both patents holders and so-called "patent trolls" like no other system, turning Germany into "the new epicentre" for patent wars. German law also makes injunctions available to any patent holder winning an patent infringement ruling.

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On the other hand Dutch courts do not grant injunctions to patent holders as frequently as German courts, making the Netherlands a safe(r) place for relocation-- if German courts demand a sales ban, many stores could still get banned Microsoft products from across the border.

German courts have already banned Samsung Galaxy 10.1 sales in the country, following the Apple-Samsung patent battle.

In the meantime, both Microsoft and Apple are asking the European Commission to intervene in the Motorola Mobility disputes.

Go [Microsoft Shuts German Distribution Centre in Patent Dispute](#)

Go [Patent Abuse Hurts the German Economy: Microsoft Has to Relocate European Logistics Centre \(FOSS Patents\)](#)