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[Skype IPO in Jeopardy](#)



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Skype hasn't proven the success eBay was hoping for when it bought the company in 2005 for \$2.6 billion. The idea at the time was to integrate the voice-chat capabilities in its auction site, offering users a way to communicate, but it since gave up on the thought and recently announced plans to spin off the company as an Initial Public Offering.

That plan may have hit a snag, though, as a lawsuit between eBay and the founders of Skype may continue well into 2010. Skype's founders have accused eBay of breaching a licensing deal. The founders still own part of the technology powering Skype and threatened to remove the functionality from the software.

eBay sued them to ensure this didn't happen, but, while they wait for the lawsuit to take its course, the plans for a 2010 IPO seem less likely. eBay values the voice-calling company at more than \$2 billion, with Chief Executive Officer John Donahoe saying he has refused an offer for Skype.

The case will go to court sometime in early 2010, given the fact that eBay failed to persuade the court to move the trial to an earlier date. Losing the case could prove devastating for Skype, as it might mean making the service unavailable to the 443 million people that use it, even if the technology owned by Skype's founders is replaced.

While the plans to integrate Skype may have been scraped, the communications software is becoming a bigger earner for eBay, accounting for as much as seven percent of the overall revenue. Skype brought in \$153.2 million in Q1, a 21-percent growth, while eBay has seen its income decline.