

Internet calling service Skype files for IPO

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(AP) -- Skype SA, the Internet calling service that was controlled until last year by eBay Inc., filed Monday for a U.S. initial public offering.

Luxembourg-based [Skype](#) tentatively put the value of the offering at \$100 million, but that's a rough estimate only used as a basis for the filing fee for the Securities and Exchange Commission.

Skype did not say when its shares would go on sale, or at what price. It expects to list on the Nasdaq Stock Market under an unspecified symbol.

[EBay](#) sold 70 percent of Skype for \$2 billion to an investor group led by private equity firm Silver Lake, the Canada Pension Plan Investment Board and Andreessen Horowitz. The group owns 56 percent of the company. The remaining 14 percent is owned by Joltid, a firm controlled by the founders of Skype, Niklas Zennstrom and Janus Friis. EBay kept

a 30 percent stake.

Friis and Zennstrom sold Skype to eBay for \$2.6 billion in 2005 and left the company in 2007.

Between Nov. 19, 2010, when it became independent of eBay, and Dec. 31, Skype lost \$99.7 million on \$92.4 in revenue, according to the filing with the SEC.

Calls between Skype users are free. The company makes most of its money from calls Skype users place to landline and cellular phones.

Skype said a portion of the IPO shares will be made available to its customers, "based on the nature and extent of their relationship with Skype." Another Internet calling service, Vonage Holdings Corp., offered shares to its customers in its 2006 IPO. That turned into a disaster, as unsophisticated investors jumped at the chance to participate, thinking that they could cash out soon. The shares tanked immediately after going on sale, and have never recovered their value. Lawsuits followed.

Goldman Sachs, J.P. Morgan and Morgan Stanley will lead the offering.

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