

Dispute stalls Dutch PlayStation 3 shipment

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Japanese electronics giant Sony said a shipment of its PlayStation 3 consoles is being held at a port in the Netherlands after a Dutch court upheld a complaint filed by South Korea's LG Electronics.

Japanese electronics giant Sony said a shipment of its PlayStation 3 consoles was being held in a Dutch port after a court upheld a patent complaint filed by South Korea's LG Electronics.

The shipment, reported to comprise tens of thousands of consoles, has been held since February after the Dutch court handed down a temporary injunction against importing the goods, said Sony spokesman Yasuhiro Okada in Tokyo.

"The shipment has been stalled since late last month," Okada said, adding that the move came after LG filed a complaint that Sony violated its Blue-ray technologies with the product.

He said that despite the Netherlands being one of Sony's major access points to Europe, the court decision had not affected its entire PS3 shipment to the region as there were other entry points.

But the spokesman declined to elaborate further on when the company expects the shipment to be released or how many units would be affected due to the injunction.

Dow Jones Newswires, citing a person familiar with the situation, said the shipment comprised tens of thousands of PS3 consoles and that the court had handed down a 10-day injunction.

LG spokesman Kenneth Hong confirmed LG had filed a patent complaint against Sony with the International Trade Commission in the United States earlier this year, relating to its Blu-ray video technology used in PlayStation 3 machines.

But he said the company could not comment on pending legal matters.

Sony might have to pay LG a royalty for every [PlayStation 3](#) game console it sells around the world should it lose the patent claim, potentially costing Sony millions of dollars, the Financial Times reported.

Both sides are locked in patent disputes on various technologies in Europe and the United States.

Last year, [Sony](#) brought a [patent infringement](#) claim of its own against [LG Electronics](#) to the International Trade Commission in Washington.

It claimed that LG mobile phones violated its [intellectual property rights](#) and sought to prevent the handsets from being shipped to the United States.

With prices of assembled goods such as TVs being pushed lower by increasing competition, companies are upping scrutiny of rival products and more aggressively pursuing patent royalties, analysts say.

"Electronics companies are struggling to maintain profits amid rigorous price competition," said Koki Shiraishi, analyst at Daiwa Securities Capital Markets.

He added that the Dutch court's move was unusual and would impact supply if the injunction was extended.

"What seems more common in the United States or Japan is that administrators do not get so involved in such disputes. To me the decision made by the Dutch court does not seem to be a common practice," he said.

"Usually companies try to keep inventories for about two weeks, so I don't think the 10-day suspension will really hit the European market. But if the suspension gets extended, it would inevitably have an impact."

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