

Microsoft Buys Nokia Devices & Services

Written by Marco Attard
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In a spot of breaking late-night surprise news Microsoft buys the Nokia Devices & Services division, together with licenses for Nokia patents and mapping services. The price? A cool €5.44 billion.



The acquisition covers both smartphones and feature phone lines (chiefly the Lumia and Asha series), and sees the transfer of 32000 Nokia employees to Microsoft from design, operations, sales, marketing and support teams.

Nokia retains its myriad patents, but grants Microsoft a 10-year non-exclusive license.

"It's a bold step into the future-- a win-win for employees, shareholders and consumers of both companies," Microsoft CEO Steve Ballmer says. "Bringing these great teams together will accelerate Microsoft's share and profits in phones, and strengthen the overall opportunities for both Microsoft and our partners across our entire family of devices and services."

The acquisition announcement also sees the stepping down of Nokia CEO Stephen Elop, who takes the role of Executive VP (Devices & Services). Also stepping down to join Microsoft are key Nokia executives Jo Harlow, Juha Putkiranta, Chris Weber and Timo Toikakanen.

Executive VP of Design Marko Ahtisaari leaves the company on November 2013 to take the lone road as an entrepreneur.

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The Nokia acquisition reminds of the 2011 Google Motorola acquisition-- and, like Google, Microsoft will continue licensing the Windows Phone OS to a handful of (probably not-too-happy) hardware partners.

"Acquiring Nokia's Devices group will help make the market for all Windows Phones, from Microsoft or our OEM partners," EVP (Operating Systems) Terry Myerson insists. "We collaborate with our Microsoft hardware teams in the same way we partner with our external hardware partners... We look forward to building new products together that will provide valuable business opportunity for the ecosystem and enable OEMs."

As for the post-Microsoft future, Nokia will continue building on its remaining strengths-- meaning it will concentrate on the Here mapping platform, network infrastructure and the R&D of "new business opportunities."

The acquisition closes on Q1 2014 following shareholder and regulatory approval.

Go [Microsoft to Acquire Nokia's Devices & Services Business, License Nokia's Patents and Mapping Services](#)

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