



arvato digital services acquires assets of Protexis, forms a powerful global network for digital software distribution

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09-09-2009

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Innovative Protexis RED platform, worldwide logistics leadership of arvato, combine to offer retail customers easy access to content

Valencia, CA – arvato digital services, an international provider of media services and integrated supply chain solutions, today announced the acquisition of substantially all of the assets of Protexis, a leader in digital content distribution and the creator of the RED platform for connecting publishers directly with retailers to deliver digital content to consumers. Financial terms were not disclosed.

Protexis, headquartered in Vancouver, British Columbia, Canada, maintains a catalog of more than 2,000 software titles from leading publishers worldwide. The addition of Protexis allows arvato digital services to reach more software publishers in more countries and increase its consumer touchpoints through the rapid expansion of its network of online retail partners.

“We have a strong set of digital software distribution capabilities, and the strategic acquisition of Protexis makes arvato digital services one of the most formidable players in a rapidly expanding market,” said Hans Peter Huelskoetter, President and CEO, arvato digital services. “Digital software is a steadily growing business space, yet publishers are challenged to find distribution partners that are effective, affordable and highly reliable. With Protexis and its trusted and powerful RED digital distribution system added to arvato’s full-service, end-to-end supply chain solution, we now offer publishers an expanded suite of service and distribution opportunities that can enhance their profitability.”

Across a global footprint that includes 18 countries and five continents, arvato digital services provides an integrated solution for electronic software distribution that includes development and hosting of e-commerce websites, order management/digital rights management, digital and physical fulfillment, finance management and voucher management. Protexis’ RED digital distribution platform includes software titles from leading publishers worldwide and is made available by Protexis’ retail customers for use by millions of consumers. By integrating these two

powerful networks, arvato digital services offers one of the world's most reliable, trusted and cost-effective digital service solutions to meet the very unique challenges of the ever-expanding software publishing market.

The former CEO and president of Protexis, Karl Hirsch, joins the arvato digital services management team as vice president for global e-commerce and ESD. Hirsch, a seasoned leader in the distribution industry, brings more than 20 years of senior management experience in software and Internet technology and is considered one of the foremost authorities and developers in the area of digital rights management (DRM) and electronic software distribution (ESD). He previously founded two companies, OneChannel, an analytics software firm, and Preview Systems, a publicly held DRM and electronic licensing company.

"This new relationship provides customers with the ideal combination of Protexis' unique, scalable digital platform and the significant backbone and global footprint of arvato digital services," said Hirsch. "The RED platform was built to support worldwide digital distribution, and the extensive reach and solid relationships of arvato digital services in the supply chain arena will enable customers around the globe to benefit from its advanced capabilities."

Frank Schirrmeister, CEO of IT/High Tech & EMEA Supply Chain Management at arvato digital services, will oversee the former Protexis team.

"With the integration of Protexis, arvato digital services truly stands out among its peers for the quality, reach, and innovation of our digital distribution capabilities," noted Schirrmeister. "With the acquired technology, arvato digital services will take on the role of electronic distributor, enabling our clients, in particular IT software and games publishers, to provide digital downloads of their products in the U.S. and Europe via the e-commerce platforms of retailers and eTailers."

