IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,

                    Plaintiff,

          v.

MICROSOFT CORPORATION,

                  Defendant.

Civil Action No. 98-1232 (CKK)

Next Court Deadline: August 15, 2007
Supplemental Status Report

**SUPPLEMENTAL STATUS REPORT ON
MICROSOFT'S COMPLIANCE WITH THE FINAL JUDGMENTS**

Microsoft hereby files its Monthly Supplemental Status Report regarding compliance
with the Final Judgments. This Supplemental Status Report details Microsoft's progress in
revising the technical documentation in connection with the Microsoft Communications Protocol
Program ("MCPP") and other Windows-related matters.

I.   **Microsoft's Progress in Modifying the Technical Documentation**

As explained in detail in Microsoft's February 15, 2007 Supplemental Status Report and
the March 6, 2007 Joint Status Report, Microsoft is proceeding under the following schedule for
the Initial Availability release of the revised MCPP documentation:

Milestone	Initial Availability to Licensees	Number of Documents[1]
Milestone 1	Delivered	31
Milestone 2	Delivered	24
Milestone 3	Delivered	38
Longhorn Milestone	Delivered	29
Milestone 4	Delivered	34
Milestone 5	7/20/2007	46

Since the previous Joint Status Report, Microsoft delivered, according to schedule, the Online Build documentation for the Longhorn Milestone. Microsoft is on schedule to deliver the Initial Availability Milestone 5 documents, as well as the Online Build documentation for Milestone 4 on August 10, 2007 and Milestone 5 on September 28, 2007.

A.   *Current Status of Microsoft's Progress in Resolving Technical Documentation Issues ("TDIs") through June 30, 2007*

As noted in previous Status Reports, Microsoft is working to address the TDIs in the old technical documentation in the course of rewriting the new technical documentation. Accordingly, Microsoft will review the Online Build documentation for each Milestone as it is produced to ensure that all previously existing TDIs relating to that Milestone (including those that were previously closed and those that were not addressed in the old documentation) are addressed. Based on this review, Microsoft now has closed all of the TDIs addressed by the

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[1]   As explained in previous status reports, the precise number of documents that Microsoft plans to produce in connection with the MCPP documentation is likely to be adjusted as the documentation is being rewritten and the project moves toward completion. Accordingly, the number of documents to be produced as part of Milestone 5 has been adjusted from 45 to 46. These adjustments will not affect Microsoft's ability to meet the schedule. Future minor adjustments remain possible.

Milestone 1 and Milestone 2 documentation.[2] Microsoft has closed all but two of the TDIs addressed by the Milestone 3 documentation. Microsoft expects that these two remaining TDIs will be closed shortly.

The current status of TDIs in the old documentation for the previous month is set forth below. Overall, the total number of outstanding old TDIs has continued to drop as Microsoft anticipated at the beginning of the rewrite project.

Old Document TDIs	As of 5/31/2007	Period Ended 6/30/2007
60-Day TDIs Submitted by the TC		
Submitted this period		0
Closed this period		16
Outstanding	71	55
Other TDIs Submitted by the TC		
Submitted this period		0
Closed this period		110[3]
Outstanding	361	251
TC Subtotal Outstanding	432	306
TDIs Identified by Microsoft		
Identified this period		0
Closed this period		1
Outstanding	13	12
Total Outstanding	446	318

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[2]   The content of one TDI that was originally assigned to a document delivered in Milestone 2 has been moved to a supplemental document and will be addressed when that document is released.

[3]   Some of these TDIs were actually closed during May, but were not recorded as closed in the TDI database until June.

Microsoft will continue to update the Court regarding its progress in resolving TDIs from the old documentation. Moreover, the TC will continue to identify TDIs in the old documentation that has not yet been rewritten.

Given the volume and complexity of the new technical documentation, it is inevitable that additional TDIs will emerge in the newly rewritten documentation, even as TDIs in the old documentation are being resolved. The TC will identify all TDIs in the new Online Build documentation according to the three priority levels that were described in the March 6, 2007 Joint Status Report. In addition to TDIs identified by the TC, Microsoft will continue to track and report the number of TDIs that have been identified through Microsoft's testing efforts, as well as those submitted by licensees.

The current status of TDIs identified in rewritten documentation through June 30, 2007 is noted in the chart below. The increase in the number of outstanding TDIs is a result of Milestone 3 documentation now being reflected in the TDI counts and the completion of another test cluster by Microsoft, during which Microsoft identified a number of issues that it believes should be addressed. Microsoft will be addressing these new TDIs during the course of its work and anticipates that the TDIs will remain at a manageable level relative to the size and complexity of this project.

Rewritten Document TDIs	As of 5/31/2007[4]	Period Ended 6/30/2007
Priority 1 TDIs Submitted by the TC		
Submitted this period		22
Closed this period		14
Outstanding	28	36
Priority 2 TDIs Submitted by the TC		
Submitted this period		59
Closed this period		41
Outstanding	78	96
Priority 3 TDIs Submitted by the TC		
Submitted this period		19
Closed this period		29
Outstanding	31	21
TC Submitted		100
TC Closed		84
TC Outstanding	137	153
TDIs Identified by Microsoft		
Identified this period		216
Closed this period		88
Microsoft Outstanding	46	174
TDIs Identified by Licensees		
Identified this period		0
Closed this period		0
Licensee Outstanding	0	0
Total Outstanding	183	327

II. **Technical Documentation Testing**

A. *Protocol Test Suite*

Microsoft completed its development of a second cluster of test suites by the target date

of June 30, 2007 and will send this test suite cluster to the TC shortly. Microsoft is continuing

its work to release additional test suite clusters on a quarterly basis. In selecting the protocols for

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4   The TDI numbers as of May 31, 2007 reported in this chart differ slightly from the numbers provided in the previous Joint Status Report because the dynamic nature of synchronizing both the TC's and Microsoft's TDI databases occasionally results in priority levels and exact TDI closure dates changing after the previous reporting period.

future releases, Microsoft will prioritize the protocols that correspond to the release of the rewritten technical documentation and emphasize those protocols that are likely to be of greatest value to licensees. The next cluster of test suites is on track to be completed by the end of September. Microsoft also has used the information it obtained from each of the early test suite clusters to formalize the test suite development process to enhance the quality and efficiency of future releases.

B.   *Interoperability Lab*

On August 30, 2006, Microsoft announced to MCPP licensees the availability, at no charge, of Microsoft's Interoperability Lab in the Microsoft Enterprise Engineering Center for testing licensee implementations of MCPP protocols. The Interoperability Lab offers direct access to Microsoft product development teams and technical support from Microsoft's engineering staff to address issues that may arise during testing. Microsoft has conducted a series of in-person visits to most licensees in order to promote the availability of these services. During the first week of June, one Proxy/Firewall licensee participated in the Interoperability Lab. In addition, two licensees are working with Microsoft to plan future visits.

C.   *Plug-fests*

As noted in previous Status Reports, Microsoft hosted its first plug-fest, which was for licensees of the Media Streaming Protocols, on December 12-14, 2006. As described previously, the File Server Protocols plug-fest took place in Redmond, Washington on April 30-May 3, and the overall feedback received by Microsoft was positive. Microsoft is now in the process of planning its next event, which will be for Authentication and Certificate Services Protocols and is scheduled for September 10-13, 2007. Microsoft will be working with licensees throughout the month to obtain recommendations for the forthcoming event.

III.   **Technical Documentation Team Staffing**

Robert Muglia, the Senior Vice President for Microsoft's Server and Tools Business, continues to manage the documentation effort along with additional senior product engineering team managers.

Because Milestone 5 is the largest Milestone to date and because it contains a significant amount of the older technologies for which different individuals have the necessary expertise to work on portions of the project, additional engineers and program managers have been involved in creating these documents. Thus, the number of people involved has grown over the last month, with now approximately 600 Microsoft employees and contingent staff involved in work on the MCPP technical documentation. Given the substantial overlap between the MCPP and the European Work Group Server Protocol Program, all of these individuals devote their efforts to work that relates to both programs or that is exclusive to the MCPP.

Of these, approximately 370 product team engineers and program managers are actively involved in the creation and review of the technical content of the documentation. In addition, there are approximately 20 full-time employees and 45 contingent staff working as technical writers, editors, and production technicians. In addition, as the protocol testing effort continues, there are now approximately 30 full-time employees and approximately 115 contingent staff and vendor staff working as software test designers, test engineers, and test architects. Significant attention and involvement in the technical documentation and the MCPP extend through all levels of the Microsoft organization and draw upon the resources of numerous product engineering, business, technical, and legal groups, as well as company management.

IV.   **Windows Vista and XP Related Matters**

As reported in its previous supplemental status reports, Microsoft has been working cooperatively to address a number of changes requested by the TC concerning Windows XP, the OEM Preinstallation Kit ("OPK"), and Microsoft applications, regardless of whether these

requests relate to Microsoft's middleware and default obligations under Sections III.C and III.H of the Final Judgments. Microsoft and the TC have been meeting on a weekly basis to address all outstanding requests in these areas. As a result, nearly all of these requests have now been addressed and the remaining requests will be addressed in the coming weeks. Microsoft plans to provide the agreed upon changes to the TC in time for the TC to review the changes before expiration of the Final Judgments.

In addition, Microsoft has agreed with the TC and the Plaintiffs on the manner by which changes to Windows XP and Windows Live Messenger will be delivered. Plaintiffs, Microsoft, and the TC are discussing the appropriate delivery mechanism for changes to Internet Explorer and Windows Media Player.

Dated: July 16, 2007

Respectfully submitted,

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