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: September 18, 2008
	Joint Status Report

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

Microsoft hereby files its Monthly Supplemental Status Report regarding its 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 previously reported, Microsoft has delivered all of the Milestones associated with the "rewrite" program. In addition to this documentation, Microsoft has produced additional overview/reference materials in order to assist licensees in using the technical documentation. Microsoft firmly believes that the current protocol documentation available to implementers enables interoperability with Windows and fully complies with the Final Judgments, as evidenced by the number of companies currently shipping pursuant to the MCPP.

In response to the Technical Committee's ("TC") request, Microsoft is undertaking a new effort to supplement the existing protocol documentation with additional "system" documents. On December 5, 2007, Microsoft received the TC's initial feedback on the previously submitted "overview documents."   The TC's feedback called for the creation of a "system technical

document for each system and subsystem" identified for Windows. Microsoft took the general request provided by the TC in December and created an initial template for producing the documents, which was shared with the TC on January 15, 2008.

In response, Microsoft received a newly rewritten template from the TC on February 7, 2008. Following receipt of the TC's template, Microsoft met with TC representatives in Palo Alto to discuss the discrepancy between the TC's template and Microsoft's template. The discussion was constructive and Microsoft provided the TC with an updated version of Microsoft's original template on February 26, 2008. Microsoft also offered to generate three "pilot" system documents in accordance with the newly revised template so that the plans for generating future System documents would not have to be considered in the abstract. On March 30, 2008, a day before Microsoft was set to deliver the first pilot documents, the TC provided Microsoft with an updated version of the TC's February 26, 2008 template.

The TC provided Microsoft with feedback on the first pilot documents during the early part of June 2008 in the form of "technical documentation issues" or "TDIs." Microsoft reviewed those TDIs and made a number of corresponding changes to the template based on the TC's feedback. Having revised its template to address the TC's feedback, Microsoft continued forward with the drafting of the additional system documents. Microsoft also created a second template in response to the TC's feedback, which was provided to the TC for review. In light of these developments, Microsoft provided the Plaintiffs with a schedule for completing the system documents based on the existing templates and pending additional feedback from the TC. Pursuant to that schedule, Microsoft would complete production of the final system documents on March 30, 2009. The TC and Plaintiffs commented that this schedule seemed aggressive given the size and complexity of the system documentation, and the TC's view of the experience to date.

On August 6 the TC sent an email to Microsoft informing it of the TC's conclusion that trying to reach a consensus template based on Microsoft's version was not likely to be productive given time considerations, and that Micorosoft should use the TC's templates (subject

to additional modifications by Microsoft). In light of this unanticipated change of direction, Microsoft is not in a position to provide the Court with a schedule for the system documents at this time.

Microsoft is endeavoring to propose modifications to the TC's proposed template in order to ensure that the project can move forward in a manner that is acceptable to the Plaintiffs. To facilitate the process, Microsoft has scheduled a meeting between Microsoft Corporate Vice-President Bill Laing (who has been overseeing the creation of the system documents and who reports directly to Mr. Muglia) and the TC members in order address areas of disagreement as quickly and efficiently as possible. In addition, Microsoft has requested that the TC provide an example of "sufficient" system documentation generated in any other applicable context. An example along these lines would be extremely beneficial and would allow Microsoft to conceptualize the TC's approach.

In addition to work on system documents, Microsoft also has discussed with the TC the possibility of tracking changes to the documentation in a more systematic fashion. Microsoft is exploring additional ways to present document version-to-version change information to licensees in summary form. Specifically, Microsoft has provided the TC with an overview of its proposed approach and will provide the TC with a mock-up of a sample change document to the TC in the coming weeks.

Finally, Microsoft plans to increase the frequency with which it provides updates to the documentation. Microsoft will release updated documents on August 29, 2008 and then again on October 24, 2008. Microsoft will not publish updates to the documentation during September because it will use that time to update the tools it uses to publish the documentation. Starting with the October 24th release, Microsoft will produce updates to the documentation approximately every six weeks.

A. *Current Status of Microsoft's Progress in Resolving Technical Documentation Issues ("TDIs") through July 31, 2008*

In light of the volume and complexity of the new technical documentation, it is inevitable that additional TDIs will emerge in the newly rewritten documentation. As part of its analysis, the TC is identifying TDIs in the new Online Build documentation according to the three priority levels that were described in the March 6, 2007 Joint Status Report. The current status of TDIs identified in rewritten documentation through July 31, 2008, is noted in the chart below. The total number of TDIs spans the entire range of rewritten MCPP documentation as well as the overview materials and system documents. They should be considered in the context of more than 20,000 pages of MCPP technical documentation.[1]

New Documentation TDIs	As of 6/30/2008	Period Ended 7/31/2008
Priority 1 TDIs Submitted by the TC		
Submitted this period		55
Closed this period		38
Outstanding	184	201
Priority 2 TDIs Submitted by the TC		
Submitted this period		97
Closed this period		136
Outstanding	289	250
Priority 3 TDIs Submitted by the TC		
Submitted this period		28
Closed this period		54
Outstanding	99	73
TC Submitted		180
TC Closed		228
TC Outstanding	572	524
TDIs Identified by Microsoft		

---

[1] The TDI numbers as of June 30, 2008, reported in this chart differ slightly from the numbers provided in the previous Status Report because the dynamic nature of tracking TDIs in multiple databases occasionally results in categorization and exact TDI closure dates changing after the previous reporting period.

Identified this period		366
Closed this period		660
Microsoft Outstanding	914	620
TDIs Identified by Licensees[2]		
Identified this period		22
Closed this period		23
Licensees Outstanding	18	17
TDIs Identified by TC in Overview/Reference Materials		
Identified this period		9
Closed this period		10
Overview Outstanding	32	31
TDIs Identified by TC in System Documents		
Identified this Period		74
Closed this Period		17
System Outstanding	136	193
Total Outstanding	1672	1385

II. Technical Documentation Testing

A. *Protocol Test Suite*

Since the previous Status Report, Microsoft has continued its efforts to test the newly rewritten protocol documentation. Microsoft and the TC met on July 22, 2008, to review the results of its Cluster 6 testing. Microsoft is continuing the testing of Cluster 7, which will be complete by September 30, 2008.

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

---

[2] In most cases, licensees do not open TDIs themselves. Licensees generally ask Microsoft questions about the documentation. Most questions do not result in any TDIs. In some cases, questions from licensees result in a TDI being filed by the Microsoft employees involved in answering the licensees' questions. In these circumstances, Microsoft categorizes the TDI as a licensee TDI.

access to Microsoft product development teams and technical support from Microsoft's engineering staff to address issues that may arise during testing. Microsoft held an interoperability lab with an implementer in July and received very positive feedback on the event. Microsoft has one interoperability lab with an implementer scheduled for September 2008.

C.   *Plug-fests*

Microsoft is planning a Media Streaming plug-fest for October 2008 and an Active Directory plug-fest for January 2009. In addition, Microsoft will host a file systems plug-fest in September in conjunction with an event for developers sponsored by the Storage Networking Industry Association ("SNIA").

III.   <u>Technical Documentation Team Staffing</u>

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.

Over 800 Microsoft employees and contingent staff are 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' work relates to both programs or is exclusive to the MCPP. Of these, approximately 320 product team engineers and program managers are actively involved in the creation and review of the technical content of the documentation, including periodic work on TDI resolution as well as developing new content for the next version of Windows Client and Windows Server. Because of varying areas of expertise, not all of these product team employees are working on the documentation at any given time. For example, many of the MCPP documents currently do not have TDIs associated with them. Thus, there may be no work in any particular month for product team members with documents that have no TDIs to resolve and for whom no documentation updates for future releases are currently underway. In other months, these same product teams may have multiple TDIs to

resolve and/or additional content to draft and spend much or even all of their time on protocol documentation projects.

In addition, there are over 25 full-time employees and over 45 contingent staff working as technical writers, editors, and production technicians. Additionally, as the protocol testing effort continues, approximately 40 full-time employees and approximately 425 contingent and vendor staff work as software test designers, test engineers, and test architects. Significant attention to 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.   <u>Windows Vista and XP Related Matters</u>

As previously reported, the TC has identified an issue related to how icons are displayed when (1) a user-level middleware default is set, via Set User Defaults (a Vista-introduced feature), and (2) thereafter Set Program Access and Defaults (SPAD) (the feature introduced in XP pursuant to the Final Judgments) is used to create a machine-level default for the same middleware. For instance, when a user has already used Set User Defaults to select a browser other than Internet Explorer as the default, and thereafter SPAD is used to select IE as the machine-level default browser, IE replaces the non-IE browser Icon in the start menu with its own IE Icon. The IE Icon appears even though the non-IE default browser setting, established using Set User Defaults, trumps the IE setting that was established using SPAD, for the particular user who chose the non-IE browser. The TC has requested that the icon for the non-IE browser, if any, remain in the start menu under this circumstance, reflecting the fact that the Set User Defaults setting remains in effect. Microsoft has agreed to change this behavior in the next

version of IE, regardless of whether this particular circumstance is covered by the Final

Judgments.

Dated: August 15, 2008

Respectfully submitted,

FOR DEFENDANT
MICROSOFT CORPORATION

/s/ CHARLES F. RULE
CHARLES F. RULE (DC BAR No. 370818)
JONATHAN S. KANTER (DC BAR No. 473286)
Cadwalader, Wickersham & Taft LLP
1201 F Street, NW
Washington, DC 20004
(202) 862-2420

BRADFORD L. SMITH
MARY SNAPP
DAVID A. HEINER, JR.
Microsoft Corporation
One Microsoft Way
Redmond, WA 98052
(425) 936-8080

STEVE L. HOLLEY
RICHARD C. PEPPERMAN II
Sullivan & Cromwell LLP
125 Broad Street
New York, NY 10004
(212) 558-4000