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: April 15, 2006 Supplemental Status Report

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

Defendant Microsoft hereby files its Supplemental Status Report on Microsoft's Compliance with the Final Judgments, pursuant to the joint proposal by Microsoft and the Plaintiffs, and approved by the Court at the Status Conference on November 18, 2005, that Microsoft file monthly reports detailing the status of its parser development project and its cooperation with the Technical Committee's ("TC") prototype implementation and validation projects.

As agreed upon by the parties, the Supplemental Status Reports generally will be divided into three areas. *First*, Microsoft will provide an update regarding its parser development efforts, including whether the project is proceeding on pace with the schedule outlined in the November 18, 2005 Supplemental Joint Status Report. *Second*, Microsoft will report on its efforts in support of the TC's prototyping and validation projects. And, *third*, Microsoft will update the Court on any substantive issues raised by the TC and/or parser writers with regard to the technical documentation, as well as Microsoft's activities in accordance with the revised Service

Level Goals ("SLGs"). In particular, Microsoft also will report on the success of its efforts to reduce the number of bugs and will describe its staffing efforts, which include temporarily redeploying almost 50 developers from other projects in the company – including Windows Vista – to work on the technical documentation.

I. MICROSOFT'S PARSER DEVELOPMENT EFFORTS

Microsoft's parser development and delivery efforts remain on schedule. As discussed in the previous status reports, Microsoft is developing and delivering protocol parsers to Microsoft Communications Protocol Program ("MCPP") licensees on a rolling basis, with additional parsers becoming available each month. Parsers will be delivered first in pre-release form, with the final version of each parser delivered to licensees approximately two months after delivery of the pre-release version. Microsoft refers to a group of parsers released in a particular month as a "cluster." There are a total of four clusters on the current delivery schedule.

Microsoft successfully delivered a pre-release version of the Netmon engine and the pre-release version of Cluster One parsers in accordance with the parser delivery schedule. As noted in the February 8, 2006 Joint Status Report, Microsoft hand-delivered the Cluster One CDs to the TC in Palo Alto on February 8. At the time of delivery, Microsoft provided the TC with a presentation demonstrating usage and functionality and a customized support plan.

On February 28th, Microsoft shipped individually customized packages to each MCPP licensee. These customized packages are based upon the specific task licensed by the MCPP licensee. In addition to the parsers, each package contained a demonstration and support video and other information to assist licensees in understanding and using the parsers. Microsoft also has created a customized support plan for each licensee and developed an infrastructure that will

allow licensees (and the TC) to provide feedback to Microsoft and receive technical support. Moreover, to assist licensees with using the parsers, Microsoft has recruited protocol experts from within Microsoft's Customer Support Services organization to provide individual technical support for licensees and the TC. These experts also will consult with the parser development team on an ongoing basis to ensure that appropriate support infrastructure remains in place and to recommend adjustments as necessary.

Based on its work to date, the Netmon team currently anticipates that the Cluster Two parsers also will be delivered on time, according to the schedule below. Minor scheduling changes along the lines of those previously reported above for Cluster One remain possible for the remaining clusters, as well as the Netmon features required to support them. Microsoft will keep the Plaintiffs and Court apprised as to Microsoft's progress in delivering these clusters and as to any scheduling modifications; however, Microsoft does not anticipate that these changes will materially alter the overall delivery schedule. Taking into account the modifications discussed above, the current anticipated delivery schedule remains on track and is as follows:[1]

[1] In some instances, the Microsoft parser development team has found that more than one parser is required to parse a "protocol." Accordingly, the table below has been clarified to indicate the number of "protocols" being released rather than the number of "parsers." Moreover, as described in the previous Joint Status Report, several protocols have been moved between clusters due to various dependencies and a small number of protocols have been dropped for technical reasons. In addition to the two dropped protocols that were described in the previous Joint Status Report, two other protocols were dropped because they are entirely encrypted.

Release Date	Pre-Released Protocols	Final Protocols
February 2006	21	-
March 2006	23	-
April 2006	18	21
May 2006	19	23
June 2006	-	18
July 2006	-	19

With regard to staffing, several Microsoft parser developers who were working in China have obtained visas and are now working at Microsoft's Redmond, Washington facilities. Microsoft continues to add resources to the project as qualified people are identified. The parser development and Netmon development teams currently have 40 members combined.

II. MICROSOFT'S COOPERATION WITH THE TC'S PROJECTS

As described in the previous Joint Status Reports, the first test pass in support of the TC's data collection effort occurred in January. The second test pass began according to schedule and is currently in progress.

Since the January test pass in India, Microsoft and the TC have worked together to prepare for the second test pass, which began on March 13, 2006. During its preparations for the March test pass in India, Microsoft learned that additional switching equipment would be needed to connect the TC's data collection equipment. Initially, technicians in India miscalculated the number of switches required to connect the testing labs with the TC's hardware. Microsoft's efforts to obtain this additional equipment were delayed by customs procedures in India. These issues have been overcome and the necessary switching equipment was installed in both Hyderabad and Pune just prior to the start of the test pass. As a result, the test data in these labs

are now being collected by the TC's data collection equipment. Although the current test is underway, Microsoft continues to make some minor changes to the test laboratories. However, Microsoft does not anticipate that these modifications will impact the data that the TC is able to capture or the success of the test as it relates to the TC's work.

As reported in the February 8, 2006 Joint Status Report, test data also is being collected at five separate test labs in Redmond, Washington where Microsoft performs testing of certain Windows components. Microsoft and the TC worked together to install the equipment in the five Redmond test labs and that work was completed on March 10, 2006. As a result of these efforts, the TC data collection equipment is currently operational, and test data is now being collected in all five Redmond test labs.

In addition, Microsoft remains on schedule to produce the versions of the technical documentation containing changes to the XML markup in accordance with the schedule presented by Microsoft in the November 18, 2005 Supplemental Status Report. In accordance with this schedule, which is reflected below, Microsoft delivered the latest round of technical documentation containing changes to the XML markup to the TC on February 28, 2006 and is on schedule to meet the remaining target dates.

Target Date	Microsoft Deliverable	Date Delivered
End of January	10% of MCPP protocols	February 1, 2006
End of February	25% of MCPP protocols	February 28, 2006
End of March	40% of MCPP protocols	N/A
End of April	60% of MCPP protocols	N/A
End of May	80% of MCPP protocols	N/A
End of June	100% of MCPP protocols and 100% of the royalty-free documents	N/A

Microsoft currently has four individuals working full time on the XML markup. Microsoft also has hired two additional individuals to help process incoming documentation issues from the TC's validation efforts.

III. STATUS OF TECHNICAL DOCUMENTATION ISSUES

Since the previous report, Microsoft has worked extremely hard to lower the number of existing bugs and to put in place an improved infrastructure to address newly identified bugs as quickly, accurately, and expeditiously as possible under the revised SLGs. Among other things, Microsoft supplemented its existing documentation team by temporarily redeploying a substantial number of experienced programmers, documentation writers, editors, and engineers from other projects within the company, such as Windows Vista development. As a result of these efforts, the number of critical outstanding bugs – as well as the overall number of outstanding bugs – have significantly decreased.

In addition to supplementing its staff, Microsoft added more quality control measures to the bug resolution process. Most notably, software engineers now will review proposed fixes earlier on in the resolution process as a means to improve technical accuracy, speed, and

consistency. Also, an additional validation step was added to the process along with another layer of review by engineers on the documentation team.

Below is an overview of: 1) Microsoft's progress in resolving bugs since the previous Joint Status Report; and 2) an update on Microsoft's staffing efforts.

A. *Microsoft's Progress in Resolving Existing Bugs*

Microsoft has been able to address almost half of all outstanding bugs – even after including those bugs that were uncovered since the previous Joint Status Report. As part of this effort, Microsoft also has proposed fixes for over 80 percent of those bugs that TC has reclassified as "high priority" bugs and has committed to resolve these within 60 days.

As reported in the previous Joint Status Report, and in light of Microsoft's additional step of providing MCPP licensees with access to relevant source code, Microsoft worked with the Plaintiffs and the TC to revise the SLGs for newly identified bugs. Under the revised SLGs, the TC will designate bugs in two categories. The first category (known as "60-day bugs") will be for issues that cannot be readily solved by reference to the source code or public information. In those cases, Microsoft will have 60 days to resolve the issue to the TC's satisfaction. The second category (known as "Other Bugs") will be for issues that can be readily resolved by reference to the source code or public information. For those issues, Microsoft will work diligently and use its best efforts to resolve the issues and make changes, where appropriate, to the technical documentation.

To address the 617 bugs that existed at the time of the previous Joint Status Report, Plaintiffs and Microsoft agreed that the TC would re-classify the existing bugs to fit within the

reporting structure of the revised SLGs.[2] After reviewing the existing bugs, the TC reclassified 71 of the preexisting 617 bugs as 60-day bugs. Since the February 8, 2006 Joint Status Report, Microsoft has devoted specific attention to resolving these bugs as far in advance of the 60-day deadline as possible. As a result of these efforts, Microsoft has proposed fixes for 58 of the 71 bugs.

The following chart indicates Microsoft's progress since the previous Joint Status Report. This chart includes the status of both the newly identified bugs and those existing bugs that were reclassified to fit within the revised SLGs and the new reporting structure. As the chart below indicates, Microsoft has closed or proposed fixes for a total of 478 bugs, which is approximately half of all outstanding bugs. The chart also reflects Microsoft's progress in proposing fixes for 60-day bugs.

[2] Accordingly, existing bugs that required prompt attention would be reclassified as 60-day bugs. The remaining bugs would be classified as Other Bugs and Microsoft would address them in accordance with the revised SLGs.

Bug Type	**Previous Report**	**New Bugs**	**Bugs Closed**	**Proposed Fixes Submitted by Microsoft But Not Yet Closed**	**Remaining Open Bugs (includes proposed fixes submitted by Microsoft but not yet closed)**
60-Day Bugs Submitted by the TC	68	3	0	58	71[3]
Other Bugs Submitted by the TC	507	16	287	0	236
TC subtotal	575	19	287	58	307
Bugs Identified by Microsoft	42	182	133	0	91
TOTAL	617	201	420	58	398[4]

B. *Documentation Team Staffing*

In addition to the almost 50 Microsoft employees that were temporarily reassigned to work full-time on the documentation effort, Microsoft currently has 17 full time members on its protocol documentation team that includes programming documentation writers, technical editors, and program managers. In addition, 16 other members of Microsoft's Competitive and Regulatory Affairs team devote a substantial amount of time and resources to the technical documentation and the MCPP in general. Moreover, significant attention and involvement in the technical documentation and the MCPP extends through all levels of the Microsoft organization

[3] This number includes the 58 bugs in the previous column that have been submitted by Microsoft but not yet closed.

[4] This number includes: existing bugs at the time of the previous report, plus new bugs since the previous report, minus bugs closed since the previous report.

and draws upon the resources of numerous product engineering, business, technical and legal groups, as well as company management.

Respectfully submitted,

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