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January 17, 2006

VIA ELECTRONIC FILING
and HAND-DELIVERYThe Honorable Robert C. Jones
United States District Judge
District of Nevada
333 S. Las Vegas Blvd.
Las Vegas, Nevada 89101**Re: The SCO Group, Inc. v. AutoZone, Inc. CV-S-04-0237-RCJ-LRL**

Dear Judge Jones:

Pursuant to this Court's August 6, 2004 Order, The SCO Group, Inc. ("SCO") respectfully submits this 90-day status report to apprise the Court of events that have transpired since our last update (on October 19, 2005) in certain other actions.

1. The SCO Group, Inc. v. International Business Machines Corporation, Case No. 2:03CV0294 DAK (D. Utah)**SCO Disclosure of Material Misused by IBM**

On December 22, 2005, pursuant to the Court's Pre-Trial Management Order of July 1, 2005, SCO submitted its Disclosure of Material Misused by IBM, specifically identifying (from an even larger universe of code and related materials) 293 separate technology disclosures made by IBM in violation of SCO's contractual and other rights. The number and substance of those disclosures reflects the pervasive extent and sustained degree to which IBM disclosed methods, concepts, and literal code from protected UNIX and UNIX-derived technologies.

Discovery Motions

On October 27, 2005, SCO objected to the Magistrate Court's order of October 7 insofar as it denied SCO's Renewed Motion to Compel dated September 6, 2005. On December 16, the District Court affirmed the order.

On December 20, 2005, after the parties had re-briefed SCO's Motion to Compel of December 23, 2004, the Court found that SCO had correctly read past Court orders and directed

IBM to produce Linux-related materials from the files of two additional IBM senior executives. On the same date, the Court granted IBM's motion to compel SCO to produce attorney-client privileged documents of SCO's predecessors-in-interest.

On December 29, 2005, SCO filed its Motion to Compel certain discovery and 30(b)(6) witnesses, including numerous categories of damages-related materials, documents concerning Project Monterey, documents related to IBM's ongoing Linux activities, and all versions of AIX from 1985 to 1990.

2. The SCO Group, Inc. v. Novell, Inc., Case No. 2:04CV00139 (D. Utah)

On December 30, 2005, SCO moved the Court for leave to file a Second Amended Complaint in which SCO re-asserts the slander-of-title claim in its original Complaint and asserts four additional causes of action covering essentially the same subject matter as Novell's seven counterclaims.

3. Red Hat, Inc. v. The SCO Group, Inc., Case No. 03-772-SLR (D. Del.)

As Your Honor knows, the Court in the Red Hat case has stayed that action sua sponte. Since our last letter to this Court, the parties in that case have submitted additional 90-day progress reports to the Court.

Respectfully submitted,

CURRAN & PARRY


Stanley W. Parry, Esq.

SWP:lcd

cc: James Pisanelli, Esq. (via hand-delivery)
David S. Stone, Esq. (via facsimile)