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April 17, 2007

VIA HAND-DELIVERY

The 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 ninety-day status report to apprise the Court of events occurring since our last update (on January 18, 2007) in certain other actions.

1. The SCO Group, Inc. v. International Business Machines Corporation, Case No. 2:03CV0294 DAK (D. Utah)

Summary Judgment Motions

On March 1, 5, and 7, 2007, the Court heard oral argument on the parties' summary judgment motions and took the motions under advisement.

Other Motions

As previously reported, on December 13, 2006, SCO filed a motion for reconsideration of the Court's order of November 29, 2006, that affirmed Magistrate Judge Wells' order of June 28, 2006. SCO's motion is now fully briefed, but the Court has not set a date for oral argument.

As last reported, on December 21, 2006, Magistrate Judge Wells issued an order granting IBM's Motion to Confine SCO's Claims to, and Strike Allegations in Excess of, the Final Disclosures. On January 9, 2007, SCO filed its objections to that order as well as a Motion to Amend Its December 2005 Submission. IBM opposed both applications in a brief filed on February 16, and SCO filed its reply briefs on March 19, 2007. The Court has not set a date for oral argument on the objections or motion.

By an order dated March 2, 2007, Magistrate Judge Wells denied SCO's Motion for Relief for IBM's Spoliation. On March 16, SCO filed a motion for reconsideration of that order and filed objections to that order.

On April 2, 2007, SCO filed its Motion to Deem a Prospective Third-Party Deposition in Related Litigation to Be a Deposition Taken in This Case As Well.

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

On December 12, 2006, SCO filed its opposition to Novell's Motion for Partial Summary Judgment or Preliminary Injunction, and filed its Cross Motion for Summary Judgment or Partial Summary Judgment on Novell's Third, Sixth, Seventh, Eighth, and Ninth Counterclaims. On January 23, 2007, the Court heard oral argument on the motion and cross motion, taking both under advisement.

On December 1, 2006, Novell filed its Motion for Partial Summary Judgment on Its Fourth Counterclaim. On January 17, 2007, SCO filed its opposition brief, and on January 18, its Cross Motion for Partial Summary Judgment. Both Novell's motion and SCO's cross motion have now been fully briefed, but the Court has not set a date for oral argument.

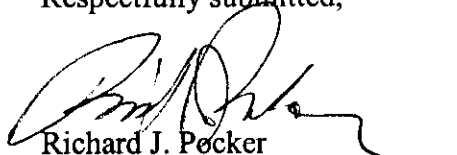
On April 3, 2007, based on a stipulation by the parties, the Court extended the deadline to complete all outstanding fact discovery to April 30, 2007, without disturbing the trial date of September 17, 2007. On April 10, 2007, based on another stipulation by the parties, the Court extended the deadline for filing dispositive motions to April 20, 2007, again without disturbing the trial date.

On April 9, 2007, SCO filed its Motion for Partial Summary Judgment on Its First, Second, and Fifth Causes of Action and For Summary Judgment on Novell's First Counterclaim. Based on the plain language of the agreement at issue (and as confirmed by the testimony of at least nine witnesses, including the former CEO of Novell), SCO argued that it owns the copyrights at issue because they were plainly transferred to its predecessor under that agreement.

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 ninety-day updates to that Court.

Respectfully submitted,



Richard J. Pecker

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