SCO Grp v. Novell Inc Doc. 630 Att. 13

EXHIBIT 3M

Exhibit $\angle -|_{6}$ 2 Homburger AG P.O. Box 338 8035 Zürich

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March 8, 2003 Saturday London Edition 1

SECTION: COMPANIES & FINANCE INTERNATIONAL; Pg. 17

LENGTH: 381 words

HEADLINE: SCO files Dollars 1bn lawsuit against IBM INFORMATION TECHNOLOGY GROUP CLAIMS

DAMAGES OVER PROPRIETARY CODE:

BYLINE: By TOM FOREMSKI

DATELINE: SAN FRANCISCO

BODY:

SCO Group has filed a Dollars 1bn trade secrets lawsuit against **IBM** that could derail the massive momentum built up around the free **Linux** operating system.

SCO, which owns intellectual property on Unix, a widely used operating system on which Linux is based, claims IBM took its proprietary code and transferred it to Linux, then released it into the global IT community.

It is seeking at least Dollars 1bn in damages from **IBM**. But it could potentially launch legal actions against other companies selling or using **Linux**.

But SCO is not commenting on potential legal action against others. "Our focus is on IBM. It has been taking our code wholesale and dumping it into Linux," said Darl McBride, chief executive of SCO.

IBM was unavailable for comment.

But it is expected to use its large intellectual property portfolio, the largest in the computer industry, to protect itself from the claims of trade secret misappropriation.

A larger issue, however, is the effect on the global **Linux** developer community. There could be potentially other intellectual property claims that could freeze further development of **Linux** in its tracks. **Linux** has been gaining ground within businesses worldwide and **IBM**, the world's largest computer company, has been the lead promoter.

But other computer groups such as Hewlett-Packard, Sun Microsystems and Dell Computer have also been selling **Linux** systems.

SCO purchased the rights to Unix from AT&T in 1995. It has been selling its version of Unix and licensing Unix to thousands of companies. The license specifies that licensees cannot take the software and use it in other software, which is what IBM is alleged to have done.

SCO claims that IBM has promoted Linux at the expense of AIX, IBM's version of Unix, which has led to unfair competition and "marketplace injury".

The lawsuit was filed by the law firm of Boies, Schiller and Flexner.

It is the law firm of David Boies, who was once the lead prosecutor for the Justice Department in its antitrust prosecution of Microsoft.

Mr McBride said SCO had contacted IBM about the matter. "But they told us to take a proverbial jump in the lake, which is why we filed the lawsuit," he said.

SCO files Dollars 1bn lawsuit against IBM INFORMATION TECHNOLOGY GROUP CLAIMS DAMAGES OVER PROPRIETARY CODE: Financial Times (London, England) March 8, 2003 Saturday

Other companies are in discussion with \mathbf{SCO} about the legal ramifications surrounding their use of \mathbf{Linux} .

LOAD-DATE: March 7, 2003