

**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:  
February 8, 2006  
Joint Status Report

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

Defendant Microsoft hereby files this Supplemental Status Report on Microsoft's Compliance with the Final Judgments.

As Microsoft and Plaintiffs initially proposed in their Supplemental Joint Status Report, filed on November 18, 2005, and subsequently approved by the Court at the last Status Conference on November 30, 2005, Microsoft will file monthly reports regarding the status of its parser development project and its cooperation with the Technical Committee's ("TC") prototyping and validation projects. These status reports also will provide the Court with information on the status of issues identified by the TC and Microsoft with regard to the technical documentation.

**I. FORMAT FOR MONTHLY STATUS REPORTS**

As discussed with the Court, Plaintiffs and Microsoft have worked together to develop a format for these monthly status reports. As reflected below, the 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 Service Level Goals (“SLGs”).

## II. MICROSOFT’S PARSER DEVELOPMENT EFFORTS

As discussed in the November 18, 2005 Supplemental Joint Status Report and at the last Status Conference, Microsoft is developing and delivering protocol parsers to MCPD licensees on a rolling basis, with additional parsers becoming available each month pursuant to a revised schedule.<sup>1</sup> 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.” The schedule (as previously reported to the Court) is as follows:

<b>Release Date</b>	<b>Pre-Released Parsers</b>	<b>Final Parsers</b>
February 2006	20	-
March 2006	24	-
April 2006	21	20
May 2006	20	24
June 2006	-	21
July 2006	-	20

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<sup>1</sup> This effort is part of Microsoft’s protocol analyzer project, which is commonly referred to as the “Troika” project.

Since the Supplemental Joint Status Report was filed, the parser development team's primary focus has been to develop and deliver the pre-release versions of the first cluster of 20 protocols. Microsoft expects to deliver the first cluster to MCPP licensees in accordance with the schedule outlined above.<sup>2</sup>

To ensure that its ability to deliver the parsers in accordance with this schedule, Microsoft, among other things, has increased the resources devoted to its parser development efforts. These new resources include a development manager, a test manager, three parser developers, and a project manager. In addition, two customer support personnel have been added to support both MCPP licensees and parser testers.

As Microsoft previously informed the Court, Microsoft is using a vendor-based team in China to assist in writing parsers. The team has increased and now has eleven members. In the upcoming weeks, the team in China will be shifting its focus toward developing parsers that are more proprietary in nature. Because the development of the more proprietary parsers must be done in a secure facility and there is only enough secure facility space to accommodate three developers, Microsoft is working to address capacity limitations in China by applying for visas for some Chinese developers so that they may work on the Redmond campus. In addition, Microsoft is aggressively searching for additional secure space in China.

In addition to taking steps to ensure the timely release of the first cluster of protocols in February, Microsoft is working to ensure that future releases of protocol clusters are timely. This effort includes early identification of potential issues and resolution of such issues as far in advance of the release as possible.

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<sup>2</sup> As Microsoft has previously notified the TC, three protocol parsers in the first cluster were substituted with three parsers from the second and fourth clusters. This substitution will not affect the overall timing for parser delivery. Rather, the ability to move parsers from one cluster to another ensures Microsoft the flexibility to address technical issues and to deliver the parsers in a timely and efficient manner.

### **III. MICROSOFT'S COOPERATION WITH THE TC'S PROJECTS**

As discussed in the Supplemental Joint Status Report, Microsoft, the Plaintiffs, and the TC agreed to bifurcate the original Troika project into individual initiatives (i) to develop parsers, which Microsoft is undertaking, and (ii) to validate the technical documentation, a project now under the TC's control. Microsoft, of course, is assisting the TC on the validation project. Microsoft is engaged in regular and extensive discussions with the TC regarding the validation projects. For example, the TC and the general manager of Windows Sustained Engineering had a productive meeting on January 10, 2006 to discuss a draft report prepared by Microsoft for the TC listing each Windows component and where it is tested. During the meeting, Microsoft and the TC identified areas where Microsoft can provide additional information relating to the precise geographic location of specific switches. Microsoft is working to obtain this additional information. In addition, Microsoft recently received a separate request from the TC for a source code survey of universally unique identifiers in Microsoft remote procedure calls. Microsoft is currently working to provide the TC with a timeline for a response to this request.

Since the last report was filed, the collaboration efforts of the TC and Microsoft have focused mainly on the installation of the TC's hardware in the test laboratories in India, which the TC plans to use to evaluate network traffic as part of its validation efforts. As a result of these joint efforts, the equipment necessary to capture data from test runs has been installed successfully at both testing laboratories in India. This is a significant milestone for Microsoft in its cooperation with the TC's validation project. While some additional work remains to be done in both Hyderabad and Pune, the first capture of data from a test run occurred within the last several days.

In addition to these efforts, Microsoft is on schedule to produce the versions of the technical documentation containing changes to the XML markup in accordance with the following schedule, which was developed with the TC:

<b>Target Date</b>	<b>Microsoft Deliverable</b>
<b>End of January</b>	10% of MCPP protocols
<b>End of February</b>	25% of MCPP protocols
<b>End of March</b>	40% of MCPP protocols
<b>End of April</b>	60% of MCPP protocols
<b>End of May</b>	80% of MCPP protocols
<b>End of June</b>	100% of MCPP protocols and 100% of the royalty free documents

Microsoft and the TC also have agreed on how Netmon and the parsers will be tested. In addition, Microsoft has completed the training of parser writers in China and Redmond with regard to technical documentation bug reporting requirements and mechanisms.

#### **IV. STATUS OF TECHNICAL DOCUMENTATION ISSUES**

As previously described to the Court, and as Microsoft indicated at the outset of this process, creating from scratch technical documentation of the magnitude, scope, and complexity that Section III.E of the Final Judgment requires is a substantial—and ongoing—undertaking. The Prototype Implementation Project undertaken by the TC, with the participation of the California Group's technical consultant Craig Hunt, together with the parser development and validation projects, is designed to expedite the process of uncovering and correcting bugs in the technical documentation.

As described in the Status Report filed on October 19, 2005, the TC and Microsoft have established SLGs that prescribe a time frame for Microsoft's first response once the TC submits a technical documentation issue or "bug" to Microsoft, depending on whether it is categorized as

high, medium, or low priority. The following chart provides an overview of the number of newly identified bugs and outstanding bugs that Microsoft is in the process of addressing, as well as Microsoft's progress in correcting previously identified bugs. Also included below is a breakdown of bugs according to the TC's priority categorization and as described by Plaintiffs in the October 19, 2005 Status Report.

**Overview**

	Active Bugs on 12/1/05	New Bugs since 12/1/05	Bugs resolved since 12/1/05	Bug fixes awaiting TC action <sup>3</sup>	Total Active Bugs (including bug fixes awaiting TC action)
Bugs identified by the TC	390	127	16	78	501
Bugs identified by Microsoft	0	31	10	0	21
Total Bugs	390	158	26	78	522

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<sup>3</sup> These are bugs that Microsoft has fixed and returned to the TC, but are awaiting review by the TC, which is required before the bugs can be deemed "resolved."

**Breakdown by TC Categorization**

	Active Bugs on 12/1/05	New Bugs since 12/1/05	Bugs resolved since 12/1/05	Bug fixes awaiting TC action	Total Active Bugs (including bug fixes awaiting TC action)
High priority	92	33	6	27	119
Medium priority	227	72	13	35	286
Low priority	71	53	7	16	117
Total Bugs	390	158	26	78	522

Since the filing of the Supplemental Joint Status Report in November, Microsoft has been working to develop a systematic approach to address these and additional bugs that are identified. In particular, over the last several weeks, Microsoft has worked to eliminate a logjam that blocked the reporting of bugs by the TC and the return of fixes to the TC. Microsoft has recently eliminated that block and expects that the reporting of bugs and the return of fixes should flow more quickly and smoothly.

In addition, Microsoft believes that, once the appropriate infrastructure is in place, it will be able to resolve bugs more efficiently and at a significantly greater pace. Specifically, the number of qualified staff working on these issues directly correlates to the number of bugs that Microsoft is able to resolve and the time in which it takes to resolve them. To that end, since November, Microsoft has focused its efforts on hiring additional qualified documentation writers and staff (although, as reported in previous Status Reports, past experience has shown that many of the reported bugs can be resolved without any change to the documentation).

Microsoft is committed to hiring as many qualified specialists as is necessary and as rapidly as Microsoft can find them. Expense is not the constraint in this process. Rather, there

are substantial difficulties finding and hiring competent employees with the necessary experience in and training for these highly-specialized tasks. This is mostly due to the limited number of qualified and available candidates.<sup>4</sup> Accordingly, since November, Microsoft has undertaken the following steps to bolster its recruiting efforts: (1) has advertised the availability of full-time employee positions externally and internally within Microsoft; (2) has added another human resource specialist specifically to focus on finding appropriate candidates; (3) has retained external staff sourcing companies to find qualified candidates to work on the documentation efforts; and (4) is working with an experienced business development manager to identify other possible opportunities for finding qualified candidates. At the same time, Microsoft is exploring other solutions to help address Microsoft's staffing needs. Microsoft will keep the Court and Plaintiffs apprised of developments.

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<sup>4</sup> Microsoft understands that the TC has encountered similar obstacles with respect to its recruiting efforts.



In addition to the efforts described above, Microsoft has launched a number of new staffing and resource initiatives that are designed to support the TC's validation effort. For example, a five-person team has been created to assist with the XML tagging in support of the TC's validation project, and a 5- to 15-person team will be added to assist with technical "triage," network testing, and research of bugs that arise from the validation project. Microsoft also is attempting to add an additional 10-15 qualified temporary document writers who will, among other things, serve to address issues resulting from the TC's validation work.

Respectfully submitted,

/s/ Charles F. Rule

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