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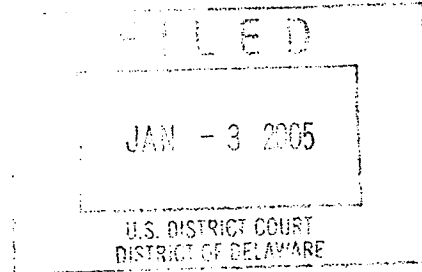
January 3, 2005

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BY HAND

The Honorable Sue L. Robinson
United States District Court
844 North King Street
Wilmington, DE 19801



Re: Red Hat, Inc. v. The SCO Group, Inc.; C.A. No. 03-772 (SLR)

Dear Chief Judge Robinson:

We write pursuant to Your Honor's April 6, 2004 Order to summarize the status of the *SCO v. IBM* case pending before the Honorable Dale A. Kimball in the United States District Court for the District of Utah. Since our last update to the Court, on October 4, 2004, the following has transpired:

On October 14, SCO filed a Motion to Amend its complaint, seeking to add a single copyright claim relating to IBM's use of infringing SCO code in its AIX product. The parties have now fully briefed the motion, but no date for oral argument has been scheduled.

On October 19, the parties argued SCO's two pending discovery applications before the Magistrate Judge. During the hearing, the Magistrate Judge ordered IBM to provide affidavits concerning its production of certain Linux-related documents that the Court had previously ordered produced, required the parties to exchange privilege logs, and took the remainder of SCO's discovery applications under advisement. (The Court entered a written Order on October 20.) On November 19, IBM filed (under seal) four affidavits in response to the Magistrate Judge's October 20 Order, and on November 19, 2004, the parties exchanged privilege logs.

On December 22, SCO filed a Motion to Compel IBM to produce more detailed affidavits in response to the Magistrate Judge's October 20 Order, and to compel IBM to produce witnesses to testify on several topics in two Rule 30(b)(6) notices of deposition that SCO had served.

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SCO has filed Memoranda in Opposition to IBM's Motion for Summary Judgment on Its Eighth Counterclaim and Motion for Summary Judgment on SCO's Contract Claims. (IBM's reply briefs are due on January 14, 2005.)

In addition, the parties have taken nine additional depositions and have noticed more than twenty additional depositions for January and February 2005.

We will provide the Court with another update of the status of the litigation on or about April 4, 2005.

Respectfully,



Jack B. Blumenfeld

JBB/bls

cc: Peter T. Dalleo, Clerk (By Hand)
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