

**THERE IS A DIRECT CAUSAL CONNECTION  
BETWEEN MICROSOFT'S ILLEGAL ACTS  
AND THE MAINTENANCE OF ITS MONOPOLY**

“Microsoft's campaign succeeded in preventing - for several years, and perhaps permanently - Navigator and Java from fulfilling their potential to open the market for Intel-compatible PC operating systems to competition on the merits. Findings ¶¶ 133, 378. Because Microsoft achieved this result through exclusionary acts that lacked procompetitive justification, *the Court deems Microsoft's conduct the maintenance of monopoly power by anticompetitive means.*” Conclusions at 9 (emphasis added).

“There is insufficient evidence to find that, absent Microsoft's actions, Navigator and Java *already* would have ignited genuine competition in the market for Intel-compatible operating systems. *It is clear, however, that Microsoft has retarded, and perhaps altogether extinguished, the process by which these two middleware technologies could have facilitated the introduction of competition into an important market.*” Findings ¶ 411 (emphasis added)

“Many of the tactics that Microsoft has employed have also harmed consumers indirectly by unjustifiably distorting competition. The actions that Microsoft took against Navigator hobbled a form of innovation that had shown the potential to depress the applications barrier to entry sufficiently to enable other firms to compete effectively against Microsoft in the market for Intel-compatible PC operating systems. That competition would have conduced to consumer choice and nurtured innovation.” Findings ¶ 411

“Given the importance of the IAP channel to browser usage share, it is fair to conclude that these inducements and *restrictions contributed significantly to the drastic changes that have in fact occurred in Internet Explorer's and Navigator's respective usage shares.* [Findings] ¶¶ 144-47, 309-10. Microsoft actions in the IAP channel thereby contributed significantly to *preserving the applications barrier to entry.*” Conclusions of Law at 15

“The response of OEMs to Microsoft's efforts had a dramatic, negative impact on Navigator's usage share. [Findings] ¶ 376. The drop in usage share, in turn, has prevented Navigator from being the vehicle to open the relevant market to competition on the merits.” [Findings] ¶¶ 377-78, 383. Conclusions of Law at 11.

“Microsoft’s acts targeted at the browser and Java “impeded another form of innovation that bore the potential to diminish the applications barrier to entry.” Findings ¶ 411

“It is not clear whether, absent Microsoft’s interference, Sun’s Java efforts *by now* would have facilitated porting between Windows and other platforms enough to weaken the applications barrier to entry. *What is clear, however, is that Microsoft has succeeded in greatly impeding Java’s progress to that end with a series of actions whose sole purpose and effect were to do precisely that.*” Findings ¶ 407 (emphasis added)

“The evidence thus compels the conclusion that Microsoft’s actions with respect to Java have restricted significantly the ability of other firms to compete on the merits in the market for Intel-compatible PC operating systems.” Conclusions of Law at 19

“Through its conduct toward Netscape, IBM, Compaq, Intel, and others, Microsoft has demonstrated that it will use its prodigious market power and immense profits to harm any firm that insists on pursuing initiatives that could intensify competition against one of Microsoft’s core products. Microsoft’s past success in hurting such companies and stifling innovation deters investment in technologies and businesses that exhibit the potential to threaten Microsoft.” Findings ¶ 412

“As the foregoing discussion illustrates, Microsoft’s campaign to protect the applications barrier from erosion by network-centric middleware can be broken down into discrete categories of activity, several of which on their own independently satisfy the second element of a § 2 monopoly maintenance claim. But only when the separate categories of conduct are viewed, as they should be, as a single, well-coordinated course of action does the full extent of the violence that Microsoft has done to the competitive process reveal itself. *See Continental Ore Co. v. Union Carbide & Carbon Corp.*, 370 U.S. 690, 699 (1962) (counseling that in Sherman Act cases “plaintiffs should be given the full benefit of their proof without tightly compartmentalizing the various factual components and wiping the slate clean after scrutiny of each”). In essence, Microsoft mounted a deliberate assault upon entrepreneurial efforts that, left to rise or fall on their own merits, could well have enabled the introduction of competition into the market for Intel-compatible PC operating systems. [Findings] ¶ 411.”  
Conclusions of Law at 20.

**“While the evidence does not prove that they would have succeeded absent Microsoft’s actions, it does reveal that Microsoft placed an oppressive thumb on the scale of competitive fortune, thereby effectively guaranteeing its continued dominance in the relevant market. More broadly, Microsoft's anticompetitive actions trammled the competitive process through which the computer software industry generally stimulates innovation and conduces to the optimum benefit of consumers. [Findings] ¶ 412.” Conclusions of Law at 20.**