

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**



IN THE MATTER OF _____)
MSC.SOFTWARE CORPORATION, _____)
a corporation _____)
_____)

Docket No. 9299

**MOTION OF PARAMETRIC TECHNOLOGY CORPORATION
TO SUPPLEMENT PLEADING**

Parametric Technology Corporation (“PTC”), a non-party in the above-captioned matter, seeks leave of this Court pursuant to Rule 3.15(b) of the Federal Trade Commission’s Rules of Practice to supplement PTC’s Motion to Limit or Quash Subpoena *Duces Tecum* (“PTC’s Motion”) to reflect PTC’s subsequent efforts to narrow the scope of the subpoena. *See* Letter dated March 13, 2002, at Exhibit A.

In an attempt to compromise, PTC has offered to produce certain documents responsive to the eight categories of documents set forth in the Proposed Order that MSC.Software (“MSC”) propounded in response to PTC’s Motion. Specifically, PTC has agreed to the following:

1. Although PTC does not maintain an organizational chart, in response to MSC’s request, PTC has agreed to prepare an organizational chart from the CEO down to the level of Vice President within the Software Solutions organization, the area within PTC with business responsibility for PTC’s FHA solver functionality.

2. PTC has informed MSC that the information it seeks identifying the features and functionalities of PTC’s FEA solver Pro/MECHANICA can be found in PTC’s Motion to Limit

of Quash. See PTC's Motion at 2-3. PTC additionally directed MSC to PTC's website for any further technical information it seeks.

3. PTC continues to object to MSC's third request seeking documents relating to competition between MSC and other providers of FEA solvers or between versions of Nastran and other FEA solver products as overbroad. However, PTC has offered to produce documents found within the files of certain identified individuals that concern competition between products containing FEA solver functionality to the extent they concern competition involving the FEA solver functionality of the products.

4. PTC has agreed to produce market and competitive analyses for stand-alone FEA solvers and, to the extent PTC tracks such information, market and competitive analyses for FEA solver functionalities that are incorporated into CAE software. PTC will not, however, produce market and competitive analyses for PTC's CAD/CAM or CAE software except to the extent the FEA solver functionality is specifically addressed.

5. PTC strenuously objects to MSC's request for highly confidential documents regarding market share and revenue information for PTC products containing FEA solvers because it is an across the board request for critical, competitively sensitive information about PTC's Pro/ENGINEER and Pro/MECHANICA products. This request would not only impose an unreasonable burden and business risk on PTC, but also production of these highly sensitive documents would do nothing to help MSC in its defense. PTC has, however, represented to MSC that PTC does not maintain market share and revenue information for the embedded FEA solver functionality of PTC's Pro/MECHANICA software

6. PTC has agreed to produce any communications or documents concerning UAI or CSAR or their products prior to and unrelated to MSC's acquisition of them found within the files of certain identified individuals.

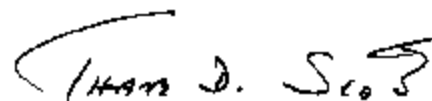
7. PTC repeated its offer to produce any documents found within the files of certain identified individuals that refer to or concern MSC, which documents would reach communications concerning MSC's acquisition of UAI or CSAR.

8. PTC is unable to respond to MSC's request for documents regarding analyses or discussions relating to customer switching from MSC.Nastran to competitive solvers, including technologies addressing translations or other switching issues. It appears that the term "competitive solvers" refers to products that a user might substitute for a NASTRAN-based solver. Because customers whose applications require the capabilities of a NASTRAN-based FEA solver cannot substitute PTC's Pro/MECHANICA product with its embedded FEA solver functionality, Pro/MECHANICA is not a "competitive solver." MSC's request for information about Pro/MECHANICA, a non-competitive product, is, for this reason, an overbroad and unduly burdensome request. PTC has offered to respond further to this specific request if MSC has a proposal as to how this category might be limited or clarified.

Conclusion

For the foregoing reasons, PTC respectfully requests that this Court permit PTC to supplement its pleading to reflect PTC's ongoing efforts to resolve its discovery dispute with MSC prior to the Court issuing an order on PTC's Motion.

Respectfully submitted,



Thane D. Scott
PALMER & DODGE LLP
111 Huntington Avenue
Boston, MA 02199
(617) 239-0100

March 20, 2002

CERTIFICATE OF SERVICE

I hereby certify that on March 20, 2002, I served this MOTION OF PARAMETRIC TECHNOLOGY CORPORATION TO SUPPLEMENT PLEADING by overnight delivery upon:

Office of the Secretary of the Commission
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20589

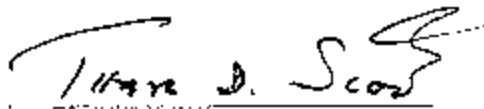
Honorable D. Michael Chappell
Administrative Law Judge
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Greg F. LoCascio, Esq.
Kirkland & Ellis
655 Fifteenth Street, NW
Washington, DC 20005

Richard B. Dagen
Federal Trade Commission
601 Pennsylvania Avenue, N.W.
Washington, D.C. 20589

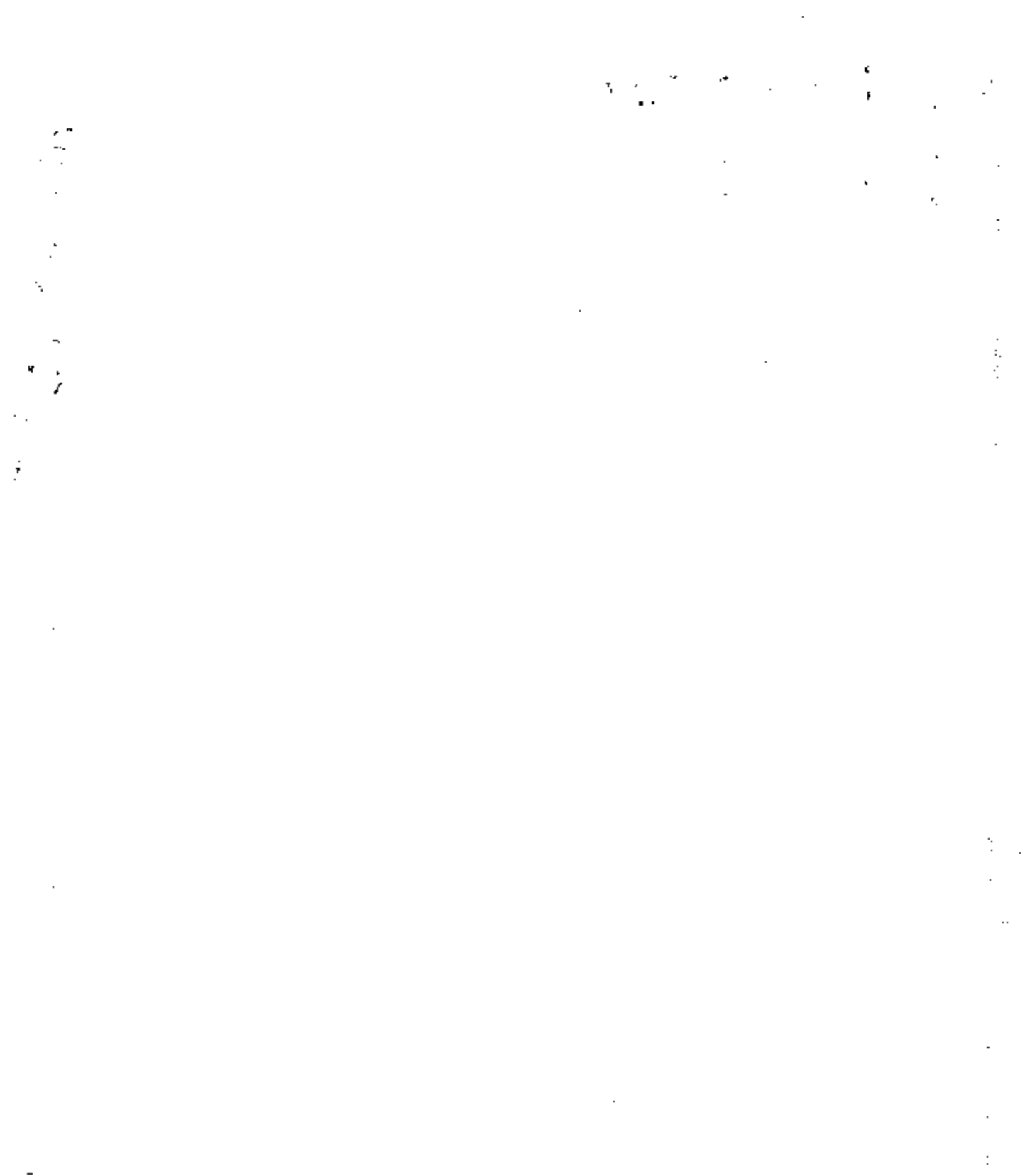
P. Abbott McCartney
Federal Trade Commission
601 Pennsylvania Avenue, N.W.
Washington, D.C. 20589

Karen Mills
Federal Trade Commission
601 Pennsylvania Avenue, N.W.
Washington, D.C. 20589



Thane D. Scott
PALMER & DODGE LLP
111 Huntington Avenue
Boston, MA 02199
(617) 239-0100

March 20, 2002



PALMER & DODGE LLP

111 HUNTINGTON AVENUE AT PRUDENTIAL CENTER
BOSTON, MA 02199-7613

THANE D. SCOTT
617.239.2154
tscott@palmerdodge.com

March 13, 2002

By Facsimile and First-Class Mail

Greg F. LoCascio, Esq.
Kirkland & Ellis
655 Fifteenth Street, NW
Washington, DC 20005

Re: *MSC Software Antitrust Litigation*

Dear Greg:

Thank you for your fax of February 26, 2002. It is unfortunate that MSC spent almost two months sitting on its unscrved subpoena, serving it at the wrong address, and then dodging PTC's letters and calls, eventually offering a narrowed request a week after PTC filed its motion and only two days before MSC's opposition was due. If MSC were as interested in solving discovery problems as it is in creating them, PTC's motion would have been unnecessary.

Nevertheless, in the interest of finding a workable solution to the problems MSC first intentionally created and then completely ignored, this letter responds to your fax as well as to the proposed order attached to MSC's opposition.

CATEGORY # 1: PTC's organization chart containing personnel responsible for its FEA solver product(s).

PTC does not maintain an organizational chart. However, PTC will accommodate your request by preparing an organizational chart from the CEO down to the level of Vice President within the Software Solutions organization. Business responsibility for PTC's FEA solver functionality resides in this area.

CATEGORY # 2: Documents sufficient to identify features and functionalities of PTC's FEA solver Pro/MECHANICA.

With regard to MSC's second request, a description of the technical differences between the FEA solver functionality embedded in PTC's Pro/MECHANICA and the entirely different product sold by MSC was included in PTC's Motion to Limit or Quash at pages 2-3. In addition, if we understand your request, virtually all of what you seek is readily ascertainable from PTC's website.

CATEGORY # 3: Documents relating to competition between MSC and other providers of FEA solvers or between versions of Nastran and other FEA solver products.

MSC's third category remains overbroad. By definition, PTC's FEA solver functionality embedded in its Pro/MECHANICA product cannot be isolated as a "product" because it is only a part of a product. Customers cannot purchase a stand-alone solver from PTC, nor can customers purchase Pro/MECHANICA without the embedded solver feature. Indeed, some users of Pro/MECHANICA may have no use for Pro/MECHANICA's FEA solver functionality but purchase the software for its other features and capabilities. MSC's request is therefore overbroad to the extent it reaches beyond the FEA functionality contained within larger suites of software products.

PTC will, however, produce documents found within the files of the individuals named in PTC's letter of February 14, 2002 that concern competition between products containing FEA solver functionality to the extent they concern competition involving the FEA solver functionality of the products.

CATEGORY # 4: CAE or FEA market and competitive analyses, including any evaluation by PTC of the market for stand-alone FEA solvers or FEA solvers that are incorporated into CAE software.

Regarding MSC's fourth category of documents, PTC will produce market and competitive analyses for stand-alone FEA solvers and, to the extent PTC tracks such information, market and competitive analyses for FEA solver functionalities that are incorporated into CAE software. PTC will not produce market and competitive analyses for PTC's CAD/CAM or CAE software except to the extent the FEA solver functionality is specifically addressed.

CATEGORY # 5: Documents regarding market share and revenue information for PTC products containing FEA solvers.

MSC's request for marketing and revenue information for PTC products containing FEA solvers seeks information about PTC's larger software bundles. This across the board request for critical, competitively sensitive information about PTC's Pro/ENGINEER and Pro/MECHANICA products would not only impose an unreasonable burden and business risk on PTC, but also production of these highly sensitive documents would do nothing to help MSC in its defense. PTC will not produce such sensitive — and to MSC, useless — documents absent an order from the ALJ, and will argue strenuously against such an order. In determining how you would like to proceed on this category, you should understand that PTC does not maintain market share and revenue information for the embedded FEA solver functionality of PTC's Pro/MECHANICA software.

CATEGORY # 6: Documents regarding UAI and CSAR, including any analyses of their FEA solvers, their corporate viability, market presence or strength, as well as any PTC evaluation of the acquisition of or investment in either UAI or CSAR.

With regard to any communications or documents concerning UAI or CSAR or their products prior to and unrelated to MSC's acquisition of them, PTC will produce such documents

Greg F. LoCascio, Esq.
March 13, 2002
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found within the files of those individuals named in PTC's letter of February 14, 2002. PTC will produce additional documents as described in Category 7, below.

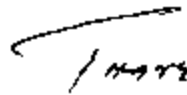
CATEGORY # 7: Documents regarding any communications or analyses relating to MSC's acquisitions of UAI and CSAR -- whether to the FTC, to customers, or internally.

To the extent that PTC is in possession of documents concerning MSC's acquisition of UAI or CSAR, PTC's offer in PTC's letter of February 14, 2002 to produce "any documents that refer to or concern MSC" found within the files of those individuals named in that letter reaches those communications.

CATEGORY # 8: Documents regarding analyses or discussions relating to customer switching from MSC.Nastran to competitive solvers, including technologies addressing translations or other switching issues.

MSC's request for "analyses or discussions relating to customer switching from MSC.Nastran to competitive solvers" reveals MSC's misunderstanding of PTC's embedded solver. It appears that by "competitive solvers" you mean those products that a user might substitute for a NASTRAN-based solver. Because customers whose applications require the capabilities of a NASTRAN-based FEA solver cannot substitute PTC's Pro/MECHANICA product with its embedded FEA solver functionality, Pro/MECHANICA is not a "competitive solver." MSC's request for information about Pro/MECHANICA, a non-competitive product, is, for the reasons noted above, an overbroad and unduly burdensome request. If you have a proposal as to how this category might be limited or clarified, we will respond further once your proposal is made.

Very truly yours,



Thane D. Scott

TDS/cl