

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:

March 7, 2008 Status Conference

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

The United States of America, Plaintiff in *United States v. Microsoft*, CA No. 98-1232 (CKK), and the Plaintiffs in *New York, et al. v. Microsoft*, CA No. 98-1233 (CKK), the States of New York, Ohio, Illinois, Kentucky, Louisiana, Maryland, Michigan, North Carolina, and Wisconsin (the "New York Group"), and the States of California, Connecticut, Florida, Iowa, Kansas, Massachusetts, Minnesota, Utah, and the District of Columbia (the "California Group") (collectively "Plaintiffs"), together with Defendant Microsoft, hereby file a Joint Status Report on Microsoft's Compliance with the Final Judgments, pursuant to this Court's Order of May 14, 2003.

I. INTRODUCTION

In a minute order dated February 12, 2008, the Court directed the Plaintiffs to file a Status Report updating the Court on activities relating to Microsoft's compliance with the Final Judgments entered in *New York, et. al. v. Microsoft*, CA No. 98-1233 (CKK), and in *United States v. Microsoft*, CA No. 98-1232 (CKK).

The last Status Report, filed August 31, 2007, served as an interim report, containing information on selected activities relating to enforcement of the Final Judgments. The current report is the ninth of the six-month reports requested by the Court and contains information that the Court has requested in each six-month report. Section II of this Report discusses Plaintiffs' efforts to enforce the Final Judgments; this section was authored by Plaintiffs. Section III discusses Microsoft's efforts to comply with the Final Judgments; this section was authored by Microsoft. Neither Plaintiffs nor Microsoft necessarily adopts the views expressed by the other.

II. UPDATE ON PLAINTIFFS' EFFORTS TO ENFORCE THE FINAL JUDGMENTS

A. Section III.E (Communications Protocol Licensing)

Plaintiffs' work concerning Section III.E and the Microsoft Communications Protocol Program ("MCP") continues to center on efforts to improve the technical documentation provided to licensees. In particular, Plaintiffs, in conjunction with the Technical Committee ("TC") and Craig Hunt, the California Group's technical expert, are monitoring Microsoft's project to rewrite the technical documentation that has been described in detail in previous status reports.¹

¹ The TC is working closely with Mr. Hunt on all of these technical documentation issues. References to Microsoft working with the TC throughout this report should be taken to

Since the prior Joint Status Report, Microsoft has produced the “online build” version of Milestone 5. This was the final set of documents to be produced pursuant to the Milestone schedule. On October 2, 2007, Microsoft informed the TC that some additional protocol documents needed to be produced in order to cover an upcoming update to Windows Server 2008 (“Longhorn”) product. As of December 18, 2007, six new documents were scheduled for delivery along with updates to twenty-five other documents. This work was committed to be available in online-build quality by March 14, 2008. The added protocols were not shipped with Windows Server 2008 but will be available as a free downloadable update at the end of March.

Plaintiffs are satisfied that Microsoft has maintained the overall quality of these documents through the final milestone. Microsoft will continue to improve the documents over time, based on feedback from the TC’s implementation and validation projects and from Microsoft’s own test suite project. This process is proceeding without major problems and is important in ensuring the overall quality of the documentation.

In addition, as part of the original documentation plan, Microsoft committed to producing in September 2007 a final set of overview documents that explain how the MCPP protocols work together. These documents included a set of reference materials to facilitate use of the documentation and a series of “complex scenario” descriptions explaining how the protocols interact in a particular situation. Plaintiffs and the TC view these overview documents as essential to ensure that licensees can make full use of the protocols as envisioned by the Final Judgments. In conducting its implementation project, the TC has found time and time again that the additional information that will be included in the overview documents is absolutely

include Mr. Hunt as well.

necessary to implement the protocols in the MCPP. Moreover, the TC has deferred resolution of numerous questions and issues with the reset documents based on the expectation and understanding — confirmed by Microsoft — that the overview documents would address these problems. Plaintiffs and the TC therefore do not share Microsoft’s assessment of the need for the overview documents, or the level of detail that will have to be included in them, as expressed in Microsoft’s section of this report.

After reviewing the initial set of overview documents, the TC determined that the documents were not detailed enough and that the set did not cover a wide enough range of complex scenarios. The Plaintiffs and the TC therefore informed Microsoft that significant additional work was necessary to create a set of overview documents that were useful and sufficiently comprehensive. Microsoft agreed to expand the scope of the overview documentation and is currently working with the TC to develop a plan for writing the new overview documents. The first step is to develop a template for the overview documents, similar to the way in which a template was developed for the documentation at the beginning of the reset project. Discussions of the template between Microsoft and the TC are in progress. Once the template is agreed upon, it will be tested by using it to develop three sample overview documents. Following this test, Microsoft and the TC will determine if the template requires further modification.

Microsoft will also develop, in consultation with Plaintiffs and the TC, a list of complex scenarios to be included in the new set of overview documents and a schedule for producing these documents. Plaintiffs believe that this schedule should have a number of identifiable deliverables over time so that Plaintiffs can easily and quickly assess both the quality of the

newly-created overview documents and Microsoft's progress in meeting the deadlines set forth in the new schedule. Plaintiffs will provide the Court with the project plan once the parties have developed and agreed to it.

In previous Joint Status Reports, Plaintiffs informed the Court that the TC was reviewing the audit that Microsoft conducted to determine whether all necessary protocols were captured by the audit (activity that Microsoft named "Project Sydney").² The TC retained a consulting firm to review Microsoft's protocol audit process by analyzing the procedures established by Microsoft and the manner in which Microsoft implemented those procedures. At the last status conference, Plaintiffs described an agreement they reached (in consultation with the TC) with Microsoft to address the issues raised by the report. Microsoft agreed to conduct additional training for the individuals involved in Project Sydney and to instruct each individual to reassess whether any additional work needed to be performed to ensure the completeness of the audit database in light of the content of the training. Microsoft has now completed all the training; several individuals still need to finish their portion of the reassessment work for it to be complete. Thus far, Microsoft has identified 30 new items which it has added to the Project Sydney database.

The TC also retained a second consulting firm to develop programmatic methods for searching the Windows source code to identify communications protocols that should have been identified by Project Sydney. The firm developed a method for searching through the source code which identified several protocol elements (that is, either protocols or methods within

² The audit was designed by Microsoft to capture all the protocols used by Windows, not only those protocols that must be documented as part of the MCPP.

protocols) which either are not listed in the Project Sydney database or in the technical documentation that is referenced in the database. Microsoft has agreed to add six protocol elements to the database and the corresponding MCPP documentation.³ The TC and Microsoft are discussing a few other protocol elements to determine whether it is necessary to add them to either the Project Sydney database or the MCPP documentation.⁴ Once that is resolved, the TC will quantify the magnitude of omissions detected by the source code analysis, and make a recommendation about the value of continuing to use this technique on an ongoing basis.

Finally, on February 21, 2008 Microsoft publicly announced a wide-ranging change in its licensing practices for interoperability information that will directly affect the MCPP. An immediate effect of this change is that all of the technical documentation created pursuant to the MCPP is now posted online at the Microsoft Developer Network (MSDN).⁵ It is therefore no longer necessary to sign an MCPP license to obtain access to the MCPP technical documentation. Microsoft has also published online a list of the patents and patent applications that it claims apply to each protocol in MCPP and has made available online a patent license pursuant to the MCPP. Plaintiffs are reviewing the changes that Microsoft has announced, and intend to discuss them in more detail with Microsoft.

³ An additional two protocol elements were added to the Project Sydney database.

⁴ Some of the items under discussion are entire protocols, while others are parts of protocols already included in the audit database.

⁵ <http://msdn2.microsoft.com/en-us/library/cc216513.aspx>.

B. Competing Middleware and Defaults⁶

Plaintiff States and the TC continue to monitor developments regarding Windows XP and Windows Vista to assure compliance with the Final Judgments. This includes ongoing testing by the TC of the final versions of Windows Vista, Vista Service Pack (“SP”) 1, XP SP 3, Windows Media Player 11, and Internet Explorer 7, to discover any remaining middleware-related issues. Since our last report, TC activity disclosed two browser overrides, one in Outlook Express and the other in the Windows Help viewer, which Microsoft has since corrected in XP SP 3 and Vista SP 1. Very recently, the TC reported an additional issue in IE relating to user defaults, which Microsoft is studying.

As noted in the prior status report, as the scheduled expiration of the relevant portions of the Final Judgment approached, the TC identified a number of remaining middleware-related bugs and requested that Microsoft address these issues. Microsoft has corrected most of these issues, and the TC has tested the fixes. Microsoft has included these corrections in XP SP 3 or Vista SP 1, as appropriate. A remaining bug in the “Open With” feature will be corrected in “Windows 7,” the announced successor to Windows Vista. The TC and Microsoft continue to discuss another middleware issue, which the TC has sought to have Microsoft include in Windows 7.

⁶ The provisions of the United States’ Final Judgment not relating to Section III.E (Communications Protocol Licensing) expired in November 2007. This part of the Joint Status Report therefore covers the joint enforcement activities of the New York Group and the California Group.

In addition, the TC has begun to review Windows 7 itself. Microsoft recently supplied the TC with a build of Windows 7, and is discussing TC testing going forward. The TC will conduct middleware-related tests on future builds of Windows 7.

Plaintiffs reported in the last status report on their agreement with Microsoft to resolve any Final Judgment concerns relating to the desktop search functionality in Windows Vista (“Desktop Search”). The TC reviewed Microsoft’s implementation of the changes agreed to, and Microsoft included the new Desktop Search features in Vista SP 1, which Microsoft recently released to OEMs.

As detailed in prior Status Reports, the TC and Microsoft are both working to help ensure that middleware ISVs achieve “Vista-readiness” by taking full advantage of the default-related features in Vista. The TC met with leading ISVs, PC OEMs and BIOS manufacturers to discuss issues relating to middleware, the default mechanisms in Vista, and the options available to OEMs under the Final Judgments, as well as the changes that Microsoft agreed to make in its Desktop Search feature.

The TC completed discussions with Microsoft relating to transitioning the TC’s testing methods and tools regarding the middleware-related portions of the Final Judgments. Microsoft has publicly committed that it will apply the middleware-related principles embodied in the Final Judgments to its products. Accordingly, with the extension of the middleware provisions of the Final Judgments, the TC will engage Microsoft going forward regarding this commitment. The TC’s objective will be to assist Microsoft in implementing robust internal testing methods that provide the same level of rigor as the TC’s work, and to ensure the quality of the TC tools continues at the same level as existed at the time of their delivery to Microsoft.

The TC also participated in the investigation and resolution of the complaint by Phoenix Technologies (“Phoenix”), discussed by Plaintiff States below, and are participating in the investigation of the other, as yet unresolved, complaint.

C. Complaints

On December 7, 2007, Plaintiff States filed an Interim Status Report on Microsoft’s Compliance with the Final Judgments in order to inform the Court of two complaints under investigation. Both complaints concerned parts of the Final Judgment that were not subject to the then-existing extension of Section III.E. and related provisions. One of those complaints has been satisfactorily resolved, and the other is still under investigation.

The complaint that has been satisfactorily resolved was made by Phoenix, after the relevant portions of the United States’ Final Judgment had expired. Accordingly, the complaint was investigated by the Plaintiff States and the TC. The gravamen of the complaint concerned a restriction in Microsoft’s Vista End User License Agreement (“EULA”), which purported, for less expensive versions of Vista (Home Basic and Home Premium), to bar the user from running those versions of Windows on virtualization software.⁷ Phoenix, which had recently announced a virtualization product, complained that Microsoft’s EULA restrictions would deter OEMs from including its product on new PCs, and also deter consumers from using virtualization software made by Phoenix and other companies.

⁷ Briefly, virtualization software is located between the BIOS layer of a PC or server and the operating system. The software allows the computer to run multiple operating systems simultaneously. So, for example, an end user with a PC running Windows could also switch to another operating system without first closing Windows and rebooting the computer into the second operating system.

After discussions with Plaintiff States and the TC, Microsoft agreed to remove the EULA restrictions and has done so.⁸ This change has been widely reported and well-received in the trade press.⁹

The second complaint referred to in the Interim Status report is still under investigation. Microsoft has provided certain documents to Plaintiffs, and that response is a subject of on-going discussion. This particular complaint was made prior to November 2007, and the United States is, accordingly, involved in its investigation.

Since the prior full Status Report, filed on June 19, 2007, 21 third-party complaints have been received by the United States. All of these complaints were non-substantive and did not raise any issues regarding Microsoft's compliance with, or the United States' enforcement of, the Final Judgment. Each of the non-substantive complaints received a simple response acknowledging their receipt. The New York and California Groups do not believe that they have received any additional substantive complaints since the prior full Status Report, aside from those discussed above.

⁸ http://download.microsoft.com/documents/useterms/Windows%20Vista_Home%20Basic%20and%20Home%20Basic%20SP1,%20Supplemental_English_5d0d2c2e-c446-4720-bf62-ce1ed6b7e0af.pdf.

⁹ *See, e.g.*, "Microsoft dumps Vista virtualization limits," Computerworld, <http://www.computerworld.com/action/article.do?command=viewArticleBasic&articleId=9058360>.

III. UPDATE ON MICROSOFT'S COMPLIANCE WITH THE FINAL JUDGMENTS

In this section of the report, Microsoft focuses on its compliance work relating to Sections III.E, III.H, and III.I of the Final Judgments. In addition, this section briefly summarizes the activities of the compliance officers under the Final Judgments, as well as the inquiries and complaints received by Microsoft since the August 31, 2007 Joint Status Report.

A. Section III.E (Communications Protocol Licensing)

1. MCPP Status Update

a. Interoperability Announcement

On February 21, 2008, Microsoft announced to the general public new Interoperability Principles, which are available at <http://www.microsoft.com/interop/principles/default.mspx>. These principles reflect Microsoft's reaction to significant industry-wide changes in the way computing resources, data, and systems are created, provisioned, and managed.

As Microsoft described in its announcement, these Interoperability Principles apply across a broad range of Microsoft's largest products, specifically Windows Vista including the .NET Framework, Windows Server 2008, SQL Server 2008, Office 2007, Exchange 2007 and Office SharePoint Server 2007 (collectively "high-volume products"). With respect to each of these high-volume products and their successors, Microsoft is implementing four new interoperability principles and corresponding actions: (1) ensuring open connections; (2) promoting data portability; (3) enhancing support for industry standards; and (4) fostering more open engagement with customers and the industry, including open source communities. These business principles go well beyond the requirements of the Final Judgments.

Ensuring Open Connections. Microsoft will publish on its Web site documentation for all APIs and protocols that are used by any other Microsoft product to plug into the high-volume products. As a significant first step in furtherance of this commitment, Microsoft has published on its public Web site *all* of the MCPP and WSPP documentation. Collectively, this includes over 30,000 pages of technical documentation that Microsoft has prepared in connection with these two programs. The Web site also includes a newly-formed online forum, which will allow developers and other interested parties to provide feedback, seek technical assistance from Microsoft, and exchange commentary and ideas with other developers.

Microsoft will *not* require developers to obtain a license, or to pay a royalty or other fee, in order to access this technical documentation. As a result, in addition to existing licensees, millions of developers worldwide can immediately take advantage of the MCPP documentation without the need to sign any license. Microsoft will also identify the protocols that are covered by Microsoft patents and will license all of these patents to any interested licensee on terms that are even lower than the reasonable and nondiscriminatory rates available under the current MCPP. Moreover, Microsoft has promised not to sue open source developers for development and non-commercial distribution of implementations of these protocols. This commitment, in particular, will enhance the ability of the broader development community to develop applications that rely on these protocols.¹⁰

Promoting Data Portability. Microsoft will design its high-volume products (and offer corresponding documentation) in order to provide customers with access to their stored data in

¹⁰ As noted above, firms that engage in commercial distribution of these protocol implementations will be able to obtain a low-cost patent license from Microsoft.

non-Microsoft software products. Microsoft will do this through various different methods, including the use of standardized or published formats that will be made available on the Web for free and the creation of APIs in the core Office 2007 applications to enable developers to plug in additional document formats. To the extent any patents cover the proprietary formats, Microsoft will make those patents available to any interested licensee on reasonable and nondiscriminatory terms.

Enhancing Support For Industry Standards. Microsoft will increase its support for open standards. By way of example, Microsoft will publish all information about which standards it supports on its Web site, including the specifics of any extensions to these standards, without requiring developers to obtain a license or pay a royalty or other fee to access the technical information. Microsoft will also determine which standards to implement in its high-volume products based on customer feedback and will work with other major implementers of the standards to toward achieving robust, consistent and interoperable implementations of the standard.

Fostering More Open Engagement With Customers And The Industry. Microsoft will build upon its recent work to increase its communications with the industry—including the open source community—to drive a collaborative approach to addressing interoperability challenges. As part of these efforts, Microsoft will launch an “Open Source Interoperability Initiative” to promote engagement between Microsoft and open source communities. This initiative will encompass a broad range of facilities, events, and resources supporting interoperability (including MCPP-related events such as interoperability labs and plug fests). In addition,

Microsoft will launch a “Document Interoperability Initiative” to facilitate the effective data exchange between widely-deployed document format implementations.

Microsoft believes that the initiatives embodied by these Interoperability Principles will support the company’s ongoing efforts to offer businesses the broadest range of opportunities to innovate, deliver value, and create seamless experiences for end users.

b. *Current MCPP Licensee Update*

To date, there are a total of 47 companies licensing Communications Protocols pursuant to Section III.E of the Final Judgments, 34 of which have royalty bearing licenses. Since the previous Joint Status Report, the following companies have signed a license and joined the program: Nortel Networks, Balabit IT Security, Citrix Systems Inc., Aqua Connect LLC, and OneWave Technologies Inc. Currently, Microsoft is aware of sixteen licensees that are shipping products under the MCPP.

Since the last Joint Status Report, Microsoft has actively continued to promote offers for MCPP licensees to receive Technical Account Manager support and to obtain access to Windows source code at no additional charge. To date, 15 licensees have signed up with Microsoft to receive free Technical Account Manager support, and 5 licensees have signed up for Windows source code access.

2. *Microsoft’s Progress in Modifying the Technical Documentation*

As previously reported, Microsoft has delivered all of the Milestones associated with the “rewrite” program. In addition to this documentation, and as first noted in Microsoft's April 2007 Supplemental Status Report, Microsoft has agreed to produce additional overview/reference materials in order to assist licensees in addressing certain scenarios that may

arise while using the technical documentation. Microsoft delivered an initial set of these overview/reference materials with each milestone delivery through the Fall of 2007. The TC has requested a number of changes and additions to these overview materials. Discussions regarding the overview materials have been ongoing and constructive.

While Microsoft firmly believes that the current protocol documentation available to implementers is fully useable and complies completely with the Final Judgments, in response to the TC's request, Microsoft is undertaking to supplement the existing overview documents with additional "Subsystem documents." The TC's current template for these Subsystem documents goes beyond the scope of the Final Judgments because it requires Microsoft to document system information that is not necessary for licensees to make use of the Communications Protocols. Nevertheless, Microsoft is working cooperatively with the TC to finalize a template for these materials. As part of this process, Microsoft has agreed to create three initial documents for the TC to review and scrutinize, before finalizing the template.

In addition, Microsoft has substantially completed its work to identify any additional protocols based on feedback from the TC's review of Microsoft's protocol audit.¹¹ As part of this project, Microsoft retrained over 150 engineers, architects, and project managers, as well as

¹¹ Two of the items that have been identified as part of this work are still going through internal "technical review," which involves a group of Microsoft architects reviewing the technical details of protocol entries. This process does not involve the identification of additional protocols and Microsoft does not expect it to result in changes to the results described above. In addition, there is one item still under investigation by Microsoft's internal review team.

50 general managers. As a result of that work, Microsoft has identified three additional relatively obscure protocols for inclusion in MCPP.¹²

3. *Current Status of Microsoft's Progress in Resolving Technical Documentation Issues ("TDIs") through January 31, 2008*

As noted in previous Status Reports, Microsoft is working to address the TDIs in the old technical documentation in the course of rewriting the new technical documentation.

Accordingly, Microsoft has reviewed the Online Build documentation for each Milestone as it was produced to ensure that all previously existing TDIs relating to each Milestone (including those that were previously closed and those that were not addressed in the old documentation) are addressed. All but two of the TDIs in the old documentation have been addressed in the new documentation and have been closed. The remaining two TDIs involve a number of complex and highly technical issues that Microsoft is working to resolve in consultation with the TC.

The current status of TDIs in the old documentation for the previous month is set forth below:

¹² Two of these protocols are extensions to standards based protocols. The other protocol relates to an old technology that makes it possible to remotely administer a "telnet" server. In addition, Microsoft identified one protocol that is not client to server, but due to a coding error, communication between the client and server is possible. This use is not supported by Microsoft and Microsoft plans to fix this error in future versions of Windows. Microsoft is discussing with the TC appropriate treatment of this protocol.

Old Documentation TDIs	As of 12/31/2007	Period Ended 1/31/2008
60-Day TDIs Submitted by the TC		
Submitted this period		0
Closed this period		1
Outstanding	3	2
Other TDIs Submitted by the TC		
Submitted this period		0
Closed this period		0
Outstanding	0	0
TC Subtotal Outstanding	3	2
TDIs Identified by Microsoft		
Identified this period		0
Closed this period		0
Outstanding	0	0
Total Outstanding	3	2

Microsoft will continue to update the Court regarding its progress in resolving TDIs from the old documentation.

As explained previously, in light of the volume and complexity of the new technical documentation, it is inevitable that additional TDIs will emerge in the newly rewritten documentation, even as TDIs in the old documentation are being resolved. As part of its analysis, the TC is identifying TDIs in the new Online Build documentation according to the three priority levels that were described in the March 6, 2007 Joint Status Report.

The current status of TDIs identified in rewritten documentation through January 31, 2008, is noted in the chart below. The total number of TDIs spans the entire range of rewritten

documentation as well as some of the newly created overview materials and should be considered in the context of over 20,000 pages of MCPP technical documentation.¹³

New Documentation TDIs	As of 12/31/2007	Period Ended 1/31/2008
Priority 1 TDIs Submitted by the TC		
Submitted this period		9
Closed this period		6
Outstanding	95	98
Priority 2 TDIs Submitted by the TC		
Submitted this period		43
Closed this period		35
Outstanding	229	237
Priority 3 TDIs Submitted by the TC		
Submitted this period		5
Closed this period		19
Outstanding	128	114
TC Submitted		57
TC Closed		60
TC Outstanding	452	449

¹³ The TDI numbers as of December 31, 2007, reported in this chart differ slightly from the numbers provided in the previous Status Report because the dynamic nature of tracking TDIs in multiple databases occasionally results in categorization and exact TDI closure dates changing after the previous reporting period.

In some cases, TDIs are opened by Microsoft on behalf of licensees or directly by licensees. The TC has requested that Microsoft provide information on these TDIs separately. In January nine such licensee TDIs were identified and seven were closed. As of the end of January there are now eight TDIs outstanding that were opened by licensees or by Microsoft on behalf of licensees. These TDIs are included in the Microsoft section of the chart.

At the request of the Plaintiffs, Microsoft has included the number of outstanding TDIs identified by the TC in the overview/reference materials that Microsoft is producing in the above chart.

TDIs Identified by Microsoft		
Identified this period		251
Closed this period		272
Microsoft Outstanding	370	355
TDIs Identified by the TC in Overview/Reference Materials		
Identified this period		1
Closed this period		39
Overview Outstanding	110	72
Total Outstanding	932	876

4. *Technical Documentation Testing*

a. *Protocol Test Suite*

Since the previous Status Report, Microsoft has continued its efforts to test the newly rewritten protocol documentation. Microsoft completed its testing on Cluster 4. Microsoft held a meeting with the TC on January 8, 2008, to review the results of this Cluster. Testing on Cluster 5 has begun and will be complete by March 31, 2008.

b. *Interoperability Lab*

On August 30, 2006, Microsoft announced to MCPP licensees the availability, at no charge, of Microsoft's Interoperability Lab in the Microsoft Enterprise Engineering Center for testing licensee implementations of MCPP protocols. The Interoperability Lab offers direct access to Microsoft product development teams and technical support from Microsoft's engineering staff to address issues that may arise during testing. One licensee has scheduled an Interoperability Lab visit for March 2008, and another has scheduled a visit for May 2008.

c. *Plug-fests*

Microsoft held a Firewall/Proxy plug-fest for three licensees as well as another company during February 2008. Microsoft is also planning a file sharing plug-fest for June 2008. Additionally, Microsoft is planning two plug-fests for later in 2008 (for Media Streaming and Active Directory licensees).

5. *Technical Documentation Team Staffing*

Robert Muglia, the Senior Vice President for Microsoft's Server and Tools Business, continues to manage the documentation effort along with additional senior product engineering team managers.

Approximately 650 Microsoft employees and contingent staff are involved in work on the MCPP technical documentation. Given the substantial overlap between the MCPP and the European Work Group Server Protocol Program, all of these individuals devote their efforts to work that relates to both programs or that is exclusive to the MCPP.

Of these, approximately 320 product team engineers and program managers are actively involved in the creation and review of the technical content of the documentation. There are approximately 25 full-time employees and over 35 contingent staff working as technical writers, editors, and production technicians. Additionally, as the protocol testing effort continues, over 35 full-time employees and approximately 250 contingent and vendor staff work as software test designers, test engineers, and test architects. Significant attention to and involvement in the technical documentation and the MCPP extend through all levels of the Microsoft organization and draw upon the resources of numerous product engineering, business, technical, and legal groups, as well as company management.

B. Windows Vista and XP Related Matters

Since the last joint status report, the TC identified two potential “bugs” in Windows XP relating to a single link for Outlook Express Help and to the Windows Help viewer. Microsoft has addressed these issues in Windows XP Service Pack 3 and Vista Service Pack 1.

C. Compliance Officers

Since the Initial Status Report was filed on July 3, 2003, the compliance officers have continued to ensure that newly-appointed Microsoft officers and directors receive copies of the Final Judgments and related materials (ongoing), that Microsoft officers and directors receive annual briefings on the meaning and requirements of the Final Judgments (Microsoft completed the annual training sessions for 2007), that annual certifications are completed for the most recent year (completed in December 2007), and that required compliance-related records are maintained (ongoing). In addition, the compliance officers are actively engaged in Microsoft’s ongoing training programs and committed to monitoring matters pertaining to the Final Judgments.

D. Complaints and Inquiries Received by Microsoft

As of February 22, 2008, Microsoft has received seventy four complaints or inquiries since the August 31, 2007 Joint Status Report. None of these complaints or inquiries was related to any of Microsoft's compliance obligations under the Final Judgments.

Dated: February 29, 2008

Respectfully submitted,

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