

## **Microsoft Consent Decree Compliance Advisory — August 5, 2002**

As part of its monitoring of Microsoft's implementation of the Proposed Final Judgment agreed to by Microsoft, the United States and the nine settling Plaintiff states (as modified and filed with the Court on February 27, 2002), the United States may periodically issue Microsoft Consent Decree Compliance Advisories. This is the first such Advisory.

By a Stipulation filed with the Court on November 6, 2001, Microsoft agreed to comply with the terms of the Proposed Final Judgment pending its entry by the Court. Section III.E. of the Proposed Final Judgment requires Microsoft to make available for use by third parties on reasonable and non-discriminatory terms certain technology used by server operating system products to interoperate with a Windows operating system product. Under the terms of Section III.E., Microsoft must offer this technology for license no later than August 6, 2002. Microsoft has informed the Department that it will begin to offer these licenses and start the process of negotiating the terms with prospective licensees on August 6, and that information concerning the licenses will be available on Microsoft's website on that day.

Microsoft last week provided the Department and representatives of the settling states with drafts of the licenses that it proposes to offer. The licenses are complex and present novel issues that require comprehensive analysis. The Department has not pre-cleared the licenses. The Department is undertaking a careful and thorough review and evaluation of the terms of the proposed licenses to determine whether the licenses comply with the Proposed Final Judgment.

The Department is strongly committed to ensuring that the licenses provide a mechanism for reasonable and non-discriminatory access to the relevant technology in a manner consistent with the terms of the Proposed Final Judgment. As part of its review of the proposed licenses, the Department would benefit from industry input. Therefore, the Department will be consulting third parties likely to be affected by the licenses. The Department, however, also would welcome input from other interested parties. Communications to our compliance team may be addressed to: Renata B. Hesse, Chief, Networks & Technology Section, Antitrust Division, United States Department of Justice, 600 E Street, NW, Suite 9500, Washington, DC 20530.