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MAX D. WHEELER (3439)
MARALYN M. ENGLISH (8468)
SNOW, CHRISTENSEN & MARTINEAU
10 Exchange Place, 11th Floor
P.O. Box 45000
Salt Lake City, Utah 84145-5000
Telephone (801) 521-9000
Facsimile: (801) 363-0400

JEFFREY M. JOHNSON (*admitted pro hac vice*)
PAUL R. TASKIER (*admitted pro hac vice*)
JAMES R. MARTIN (*admitted pro hac vice*)
JASON D. WALLACH (*admitted pro hac vice*)
DICKSTEIN SHAPIRO LLP
1825 Eye Street, NW
Washington, DC 20006-5403
Telephone: (202) 420-2200
Facsimile: (202) 420-2201

R. BRUCE HOLCOMB (*admitted pro hac vice*)
ADAMS HOLCOMB LLP
1875 Eye Street, NW, Suite 810
Washington, DC 20006-5403
Telephone: (202) 580-8820
Facsimile: (202) 580-8821

JOHN E. SCHMIDTLEIN (*admitted pro hac vice*)
WILLIAMS & CONNOLLY LLP
725 Twelfth Street, NW
Washington, DC 20005
Telephone: (202) 434-5901
Facsimile: (202) 434-5029

Attorneys for Novell, Inc.

**UNITED STATES DISTRICT COURT
for the District of Utah
Central Division**

Novell, Inc.,	*	NOVELL'S MEMORANDUM REGARDING
Plaintiff,	*	THE COURT'S PROPOSED JURY
	*	INSTRUCTION NO 1
	*	
v.	*	
	*	
Microsoft Corporation,	*	Case No. 2:04-cv-01045-JFM
Defendant.	*	Hon. J. Frederick Motz

Plaintiff Novell, Inc. (“Novell”) submits this brief Memorandum to suggest one small modification to the Court’s proposed preliminary jury instruction. Novell proposes to add the underlined words to the following sentence: “It is undisputed that during the period of time relevant to this case, that is (as the evidence will show) June 1994 to March 1996 and afterward, Microsoft had a monopoly in the market for PC operating systems.”

Novell proposes this change because the jury should be allowed to look at events occurring after Novell sold its office productivity applications to evaluate (1) the effect of Microsoft’s conduct on competition and (2) whether that conduct played a role in Microsoft’s maintenance of its monopoly power. Novell must prove that Microsoft did, in fact, maintain its monopoly after the conduct occurred. In the Government Case, the D.C. Circuit acknowledged that the effects of Microsoft’s anticompetitive conduct might not fully be felt for years, but recognized that “Nothing in §2 of the Sherman Act limits its prohibition to actions taken against threats that are already well-developed enough to serve as present substitutes.” *United States v. Microsoft*, 253 F.3d 34, 53-54 (D.C. Cir. 2001); *see also United States v. Microsoft*, 84 F.Supp.2d 9 at ¶¶ 18, 28, 32, 77 (tentatively given collateral estoppel effect).

Consistent with the Government case, Novell contends that Microsoft’s conduct harmed competition by eliminating a “key franchise”¹ that could lower the applications barrier to entry protecting Microsoft’s monopoly and thereby promote future competition in the Intel-compatible operating systems market.

We look forward to discussing this with the Court today.

¹ By “key franchise” we refer to the office productivity applications that Novell sold to Corel.

Dated: October 13, 2011

SNOW, CHRISTENSEN & MARTINEAU

By: 

Max D. Wheeler
Maralyn M. English

DICKSTEIN SHAPIRO LLP

Jeffrey M. Johnson
Paul R. Taskier
James R. Martin
Jason D. Wallach

ADAMS HOLCOMB LLP

R. Bruce Holcomb

WILLIAMS & CONNOLLY LLP

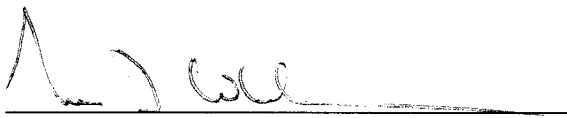
John E. Schmittlein

Attorneys for Novell, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **NOVELL'S MEMORANDUM REGARDING THE COURT'S PROPOSED JURY INSTRUCTION NO. 1** was served upon counsel for defendant via electronic mail, hand-delivery, and/or U.S. mail on the 13th day of October, 2011, as follows:

<p>David B. Tulchin <i>(via email)</i> Steven L. Holley Sharon Nelles Adam S. Paris SULLIVAN & CROMWELL 125 Broad Street New York, NY 10005 tulchind@sullcrom.com holleys@sullcrom.com nelless@sullcrom.com</p>	<p>James S. Jardine <i>(via email)</i> John W. Mackay Justin T. Toth Liesel B. Stevens RAY QUINNEY & NEBEKER 36 South State Street, Suite 1400 P.O. Box 45385 Salt Lake City, UT 84145-0385 jjardine@rqn.com jmackay@rqn.com jtoth@rqn.com lstevens@rqn.com</p>
	<p>Steve Aeschbacher <i>(via U.S. mail)</i> Microsoft Corporation One Microsoft Way Redmond, WA 98052</p>



Max D. Wheeler