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SCO Files for AIX Injunction against IBM

(June 16, 2003) - The SCO Group today, as expected, asked a federal court in Utah to enjoin IBM permanently from distributing its proprietary Unix operating system AIX.

The move, if upheld, would effectively pull the plug on all AIX systems worldwide.

With its license pulled, IBM is supposed to destroy or return all software products, SCO said.

SCO has no alternative license scheme in mind to offer affected end users and has told them to seek legal opinion and tease out the implications of running unauthorized code, hopeful that the users themselves will bring pressure to bear on IBM and ultimately bring the company to book.

Because SCO is bypassing the usual route of seeking a temporary injunction, its bid for an injunction won't be heard until its billion-dollar trade secrets-breach of contract suit against IBM is heard, which could take a year or two, SCO's own lawyers have previously estimated.

If SCO eventually gets its injunction, however, it maintains that it could claim all of IBM's AIX-related revenues - hardware, services, and software - from today forward.

SCO CEO Darl McBride believes IBM's Unix business is worth a "huge number, multibillions of dollars" a year. He'll have a clearer handle on exactly how much when the companies get into discovery.

McBride described SCO as "entering the end game" and as being ready to start discovery. He denied that the company was in any way temporizing by seeking a permanent injunction and said that no matter whether it sought a permanent or a temporarily injunction, the next step would be the same - discovery.

SCO's suit against IBM stems from its sensational claim that IBM misappropriated IP from the Unix operating system that SCO now owns and put it in Linux - in some cases line by line - to make it enterprise-class in a hurry, destroying the economic value of Unix and aggrandizing IBM's own new Linux business.

Sequent Computer, now owned by IBM, has been added to the suit, McBride said. SCO has found a "truckload of code at the high end" from Sequent, a Unix licensee, in Linux, he said.

SCO has also added the charge of export control violations to the suit, McBride said, alleging that Linux - because it is open source and freely available - is accessible to rogue nations such as North Korea for use in weapons systems.

SCO threatened to cancel IBM's AIX license when it filed suit in March, giving IBM 100 days to cease what SCO alleges are its anticompetitive practices or face termination. IBM have effectively ignored SCO, refusing to negotiate - or reportedly even talk much - maintaining that its license is "perpetual" and "irrevocable."

The deadline on SCO's ultimatum fell due last Friday night at midnight without IBM showing any signs of

reforming. McBride said that SCO, as heir to the original contracts IBM signed, is merely enforcing the agreements as envisioned "20 years ago."

The suit threatens to levy a tax on Linux, an idea that is anothema to the open source movement.

SCO has been showing the allegedly tainted code to industry analysts and some press people under NDA. It is also believed to showing the code to potential licensees.

For more on SCO's attempts to monetize Linux, see also these LinuxGramstories:

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