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## SCO may raise 'Linux' license fees

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### **The threat of higher fees may now be the only way to prod more companies into buying SCO Group licenses because further lawsuits have been put on ice.**

SCO is hinting that it may soon raise the cost of its intellectual property (IP) licenses, which it says companies running Linux need to buy in order to avoid being sued.

Many in the open-source community have been angered by SCO's ongoing claim that its proprietary Unix code has been illegally included within Linux. The company is currently involved in legal action against IBM, Novell and AutoZone.



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Darl McBride, SCO's chief executive, revealed last week that his company isn't planning to bring more lawsuits anytime soon. This admission has led to speculation that there is now no incentive for companies to move quickly to protect themselves against SCO's lawyers.

SCO has a plan to try and counter such complacency.

Blake Stowell, SCO's public relations director, said companies that elect to sit tight and see if SCO wins could end up out of pocket.

He told ZDNet UK that SCO is "evaluating" its SCOSource program and could decide to make it much more expensive for companies to indemnify themselves against attack from SCO in the future.

"Companies that license now may be able to do so cheaper than if they do so later," Stowell said.

Two types of IP licenses are currently available from SCOSource: "paid up" licenses that give permanent indemnity, and annual licenses, which vary between one-fifth and two-fifths of the cost of a full version.

SCO may decide not to offer both options in the future and could, for example, decide to insist on an annual payment that would be more lucrative in the long term.

However, interest in the SCOSource program appears to be tailing off. Stowell said that the company expected to announce "six-figure" revenue for SCOSource for its most recent financial quarter. That's a far cry from the days when it gathered millions from licensees such as Microsoft.

This decline could suggest that most companies believe that SCO will lose its various court cases. If this happened, then the company's claim that Linux contains its IP would be in tatters and there would be no need for its SCOSource licenses.

IBM, which is fighting the claim that it violated its Unix contract with SCO by moving proprietary Unix technology to open-source Linux, declined to comment on the news that SCO may increase its SCOSource fees.

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