

Utah company wraps up \$1B case against Microsoft

December 13 2011, By PAUL FOY, Associated Press



In this Nov. 21, 2011 photo, Bill Gates arrives to testify at the Frank E. Moss federal courthouse in Salt Lake City. Closing arguments are set Tuesday Dec. 13,2011 in a \$1 billion federal antitrust lawsuit against Microsoft Corp. Novell Inc. claims the software giant duped it into working on a new version of the WordPerfect writing program only to withdraw support months before Microsoft's Windows 95 was released. Novell claims it was later forced to sell WordPerfect for a \$1 billion loss. (AP Photo/Jim Urquhart,File)

Microsoft Corp. purposely duped a Utah company into believing its writing application would be included in the Windows 95 rollout, then pulled the plug so Microsoft could gain market share with its own product, an attorney said Monday in closing arguments of a \$1 billion antitrust lawsuit against the software giant.

"It was purely a predatory action," Novell Inc. attorney Jeff Johnson told



jurors.

Utah-based Novell sued Microsoft in 2004, claiming the Redmond, Wash., company violated U.S. antitrust laws through its arrangements with other software makers when it launched Windows 95. Novell said it was later forced to sell WordPerfect for a \$1.2 billion loss. Novell is now a wholly owned subsidiary of The Attachmate Group, the result of a merger that was completed earlier this year.

The trial began in October in federal court in Salt Lake City.

Microsoft lawyers have argued that Novell's loss of market share was its own doing because the company didn't develop a Windows compatible WordPerfect program until months after the operating system's rollout.

Johnson has conceded that Microsoft was under no <u>legal obligation</u> to provide advance access to Windows 95 so Novell could prepare a compatible version. Microsoft, however, enticed Novell to work on a version, only to withdraw support months before Windows 95 hit the market, he said.

Microsoft co-founder <u>Bill Gates</u> testified last month that the company made last-minute changes to Windows 95 that would have supported WordPerfect because he feared it would crash the operating system.

Gates also said Novell just couldn't deliver a compatible WordPerfect program in time for the rollout, and Microsoft's own Word program was actually better. He said that by 1994, the Word writing program was ranked No. 1 in the market above WordPerfect.

WordPerfect once had nearly 50 percent of the market for word processing, but its share quickly plummeted to less than 10 percent as Microsoft's own Office programs took hold.



Novell has argued that Gates ordered Microsoft engineers to reject WordPerfect as a Windows 95 word processing application because he feared it was too good.

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Citation: Utah company wraps up \$1B case against Microsoft (2011, December 13) retrieved 10 April 2024 from https://phys.org/news/2011-12-utah-company-1b-case-microsoft.html

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