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*Attorneys for Defendant/Counterclaim-Plaintiff
International Business Machines Corporation*

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH**

THE SCO GROUP, INC.,
Plaintiff/Counterclaim-Defendant,
v.
INTERNATIONAL BUSINESS
MACHINES CORPORATION,
Defendant/Counterclaim-Plaintiff.

**DECLARATION OF
TODD M. SHAUGHNESSY**

Civil No. 2:03CV-0294 DAK

Honorable Dale A. Kimball
Magistrate Judge Brooke C. Wells

I, Todd M. Shaughnessy, declare as follows:

1. I represent International Business Machines Corporation ("IBM") in the above-entitled action brought by The SCO Group, Inc. ("SCO"). This declaration is submitted in support of IBM's Opposition to SCO's December 29, 2005 Motion to Compel.

2. At the direction of counsel for IBM, IBM employees and consultants have spent substantial time and effort searching for documents and data responsive to SCO's requests for IBM's actual and projected Linux-related revenues (such and insofar as IBM can and does track it), IBM's actual and projected AIX- and Dynix-related revenues, IBM's profits and expenses associated with its Linux-related revenues, and IBM's profits and expenses associated with its AIX- and Dynix-related revenues.

3. In response to SCO's requests, IBM will be producing documents within the next ten (10) days showing (a) revenue and cost detail by year, month, geography, and product for divisions that include Dynix and AIX, (b) Linux-related revenue as collected by IBM by Brand and geography, and (c) detail supporting the Linux-related revenue data as available.

4. As described in more detail below, IBM employees and consultants have, at the direction of IBM counsel, spoken with more than 50 different IBM employees and searched the databases maintained by IBM in the regular course of business reflecting revenues related to Linux, AIX, and Dynix.

Organization of IBM

5. IBM is organized by Group and Division, also sometimes referred to as Brand. The Groups include the IBM Systems and Technology Group ("STG"), which consists of zSeries, iSeries, pSeries, xSeries, and Storage Products Brands; Software Group ("SWG"); and the IBM Global Services Group ("IGS").
6. IBM is also divided into and managed as three worldwide geographic regions: the Americas ("AG"), Europe/Middle East/Africa ("EMEA"), and Asia Pacific ("AP").

IBM Revenues Databases

7. IBM has collected revenue data from two general sources: the accounting system and the customer opportunity database (OMSYS).
8. IBM's financial information is contained within databases of varying levels of detail. The CHQ Apex (Advanced Planning and Exchange) is the primary database accessed by IBM personnel in the normal course of business and is the primary day-to-day database used by IBM managers. Various levels of access to the CHQ Apex database are granted to IBM employees, depending on their responsibilities.
9. The CHQ Apex database is populated with actual data from the accounting ledger for all IBM Groups and/or Brands and is used by IBM personnel across Groups to collect and report financial data. The data in the CHQ Apex database is updated from the accounting systems.
10. In response to SCO's requests, IBM has collected data from the CHQ Apex database relating to Dynix revenue and cost summaries, AIX revenue and cost summaries, income and expense statements for IBM Brands, and Brand-specific revenue and costs summaries.

11. The CHQ Apex database, and the accounting systems of IBM in general, does not uniquely identify Linux-related financial data.

12. The CHQ Apex database does not contain transaction-level detail. Obtaining transaction level detail requires access to different accounting system databases that are not used in the normal course of IBM's day-to-day reporting and analysis.

13. The next level database in IBM, which contains more granular level detail than the CHQ Apex database, is the FIW-C database. Behind the FIW-C database are five accounting megacenters located around the world; 2 in Asia Pacific, one in EMEA and two in the Americas. Neither the FIW-C database nor the accounting megacenters contain transaction level detail, but rather contain summarized data that is provided by the accounting ledger systems that reside in each individual country. In order to obtain transaction level detail, therefore, IBM would have to access the accounting ledger systems of each individual country in which IBM does business. IBM operates in more than 160 countries worldwide.

14. In addition, the sheer quantity of transaction-level detail would be overwhelming. Even if (contrary to fact) the data could be obtained without great burden, the resulting production would likely be millions of pages of documents.

15. IBM maintains a Siebel customer opportunity database referred to as OMSYS or OMS. The OMSYS database tracks customer opportunities that the sales teams within IBM are pursuing.

16. The data collected in OMSYS includes attributes of sales opportunities. Based on these attributes, IBM personnel endeavor to identify sales opportunities, and the related revenue, that involves or may involve the customer's planned use of the IBM-offered products or services with Linux. The results are then summarized to provide data on IBM's total Linux-related

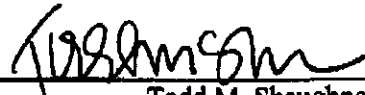
revenue, though the data is necessarily imprecise and serves the limited function of allowing IBM to track Linux enablement rather than measuring revenue in the traditional sense.

17. Data from the customer opportunity database was collected for Linux-related revenue (subject to the limitations and for the purposes described) from all IBM Groups and/or Brands.

18. I declare under penalty of perjury that the foregoing is true and correct.

Executed: January 11, 2006

Salt Lake City, Utah



Todd M. Shaughnessy

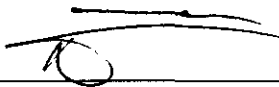
CERTIFICATE OF SERVICE

I hereby certify that on the 17th day of January, 2006, a true and correct copy of the foregoing was sent by U.S. Mail, postage prepaid, to the following:

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