

SCO CEO McBride 'Disappointed' By Novell Ruling

He says the federal court's decision doesn't change his belief that SCO has full ownership of Unix.

By Paul McDougall, [InformationWeek](#)
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SCO Group president and CEO Darl McBride told the business software developer's customers that he's "disappointed" in a court's rejection of SCO's ownership claims over the [Unix](#) operating system.

"The company is obviously disappointed with the ruling issued last Friday," McBride said in a letter to customers, a copy of which was filed Thursday with the Securities and Exchange Commission.

In the letter, McBride said the Utah federal court ruling by Judge Dale Kimball does not change his belief that SCO in 1995 acquired full ownership of Unix through an asset transfer agreement with Novell.

Quoting from the agreement, McBride in the letter said that, "We believe that 'All rights and ownership of Unix and UnixWare ...' means just what it says." On Friday, Kimball ruled that Novell owns the copyrights to Unix and UnixWare and dismissed SCO's ownership claim on the widely used computer operating system. The decision effectively gutted a lawsuit that SCO filed against Novell in 2004 in which SCO, among other things, claimed that Novell's refusal to recognize SCO's ownership of Unix was hurting its business.

A year earlier, SCO sued IBM -- alleging that Big Blue was placing parts of Unix into the [open source](#) Linux operating system without authorization. Kimball has asked SCO and IBM to provide the Utah district court with an update by the end of August on how they believe the case is affected by the Novell decision.

In his letter to SCO's customers, McBride implied that the company may appeal Kimball's ruling in the Novell case. "Although the district judge ruled in Novell's favor on important issues, the case has not yet been fully vetted by the legal system and we will continue to explore our options with respect to how we move forward from here," McBride wrote.

McBride also said in the letter that Friday's ruling does not impact SCO's ability to develop and maintain its existing product lines.