

# Window closing to claim Microsoft settlement money.

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## Who's eligible:

California consumers and businesses who purchased certain Microsoft products from Feb. 18, 1995, to Dec. 15, 2001.

**What products: MS-DOS, Windows, Office, Excel, Word, Works Suite or Home Essentials 97 or 98. Doesn't anyone want Bill Gates' money?**

There might be a lot of it available for the asking.

It comes from a \$1.1 billion fund Microsoft created to settle a class-action lawsuit last year. It's supposed to be distributed among California consumers or businesses that bought certain Microsoft products from 1995 through 2001.

By some accounts, the fund represents the largest recovery ever achieved under California's antitrust laws. It might even rank as the largest recovery of a monopoly overcharge in the United States.

Lawyers involved in the case wouldn't discuss how much has been claimed.

"At this point we are not releasing that information because the claims period is still open," said Stacy Drake, a Microsoft spokeswoman.

Yet one entrepreneur trying to get a piece of the action says that in the eight months since a judge in San Francisco approved the settlement, only about \$150 million or less than 14 percent of the fund has been claimed, leaving about \$950 million.

"Microsoft claims that the reason Californians haven't claimed more money is because they feel great about Microsoft and they don't think that Microsoft overcharged for their products," said Howard Yellen, a San Francisco lawyer and computer reseller.

Time might be running out.

The period for filing claims, which has been extended once already, is set to expire April 29.

Consumers who purchased certain Microsoft products can get up to \$100 each without providing any receipts or proof-of-purchase documentation.

The stakes are higher for businesses, though.

"For corporations in California, this is a tremendous opportunity that can represent millions of dollars," said Richard Grossman, a partner at Townsend & Townsend & Crew, the San Francisco law firm that led the civil case against Microsoft. "Even the smallest companies can get thousands of dollars."

For example, Grossman said, a company that bought Microsoft's Windows and Office software in 1995 and upgraded twice over the next seven years could recover \$135 for each computer.

"For a company with 75 computers, that's over \$10,000," Grossman said. "For a large company with 7,500 computers, it's well over \$1 million."

Microsoft agreed to the big refund to avoid a trial over allegations that it used its dominant market share of desktop computer software to overcharge for its products.

The California case, a consolidation of 27 lawsuits filed on behalf of consumers, alleged that Microsoft's monopolistic practices had denied customers competitive prices for nearly seven years.

The case echoed charges aired against Microsoft in the four-year antitrust battle waged by the federal government, which was settled in 2001. That case and similar antitrust actions taken by a number of states were settled without providing refunds for consumers.

Last week, European regulators ruled that Microsoft's Windows operating system created a near monopoly that shut out rivals. They ordered Microsoft to offer a version of Windows in

Europe without its media player within 90 days and fined the company \$603 million.

Under the relatively complicated terms of the California settlement agreement, most of the claims will be reimbursed in the form of vouchers that can be used to buy any manufacturer's computer, any software used with those computers and certain peripheral devices. Consumers who have purchased almost any Microsoft product since July 18, 2003, and have a receipt can get a cash reimbursement of as much as \$100.

Others will get vouchers that can be used to buy computer products.

About 80 percent of the money is intended to go to California businesses, which must submit Microsoft software licensing forms and other documentation to get a rebate.

Two-thirds of any unclaimed settlement proceeds are to be donated to California's "most needy public schools" in the form of Microsoft software and vouchers, according to the settlement document.

Detailed information about the recovery process and claim forms can be obtained from a Web site operated by the court-authorized settlement administrator, [www.microsoftcalsettlement.com](http://www.microsoftcalsettlement.com).

A legal notice at the site declares it to be the only authorized Web site for the California settlement "and the only authorized place to find out how to file claims and receive vouchers."

The notice also asks claimants to avoid "other sites that set out different and unauthorized claims procedures."

But Grossman said his firm is not objecting to consumers' use of [www.settlementrecovery.com](http://www.settlementrecovery.com), a Web site that Yellen, the San Francisco lawyer and computer reseller, has been operating since October.

Yellen saw a business opportunity in helping people file claims for a share of the settlement.

With more than \$1 million in

investment backing, he founded the Settlement Recovery Center to help pull together records for businesses and nonprofit groups that want to submit claims. He charges 30 percent of the recovery he makes for each customer.

"We're talking to people who have no knowledge of the settlement, or little knowledge, or incorrect knowledge of the settlement," Yellen said.

has been good enough that he recently decided to set up another Web site, [www.MyMSClaim.com](http://www.MyMSClaim.com), to process individual claims. He plans to take a 20 percent to 30 percent commission.

Grossman said he doesn't mind Yellen butting in.

"Because Howard has a great deal of experience as a computer equipment reseller, he knows how to find records and software licenses to help businesses in particular substantiate their proof of purchase," Grossman said.

But, Grossman added, it's relatively easy for businesses and consumers to submit their own claims without Yellen's help and at no additional charge.

Yellen asked the judge in the case, San Francisco Superior Court Judge Paul Alvarado, to extend the deadline for filing claims by at least several months—a move that Grossman supports.

Lawyers for Microsoft have opposed the extension request, which is scheduled to come before the judge at a hearing tomorrow in San Francisco.

Grossman urged people not to wait.

"Time is beginning to grow short and people should take advantage of this wonderful opportunity."