

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility
Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

Check this box if no longer
subject to Section 16. Form 4 or
Form 5 obligations may continue.
See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person* Dragoon, John <small>(Last) (First) (Middle)</small> 1800 S. Novell Place, SJF-1-100 <small>(Street)</small> Provo, UT 84606 <small>(City) (State) (Zip)</small> USA	2. Issuer Name and Ticker or Trading Symbol Novell, Inc. NOVL 3. Date of Earliest Transaction Required to be Reported (Month/Day/Year) 01/31/2008 4. If Amendment, Date Original Filed (Month/Day/Year)	5. Relationship of Reporting Person(s) to Issuer <small>(Check all applicable)</small> <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) Chief Marketing Officer <hr/> 6. Individual or Joint/Group Filing <small>(Check Applicable Line)</small> <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
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Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security <small>(Instr. 3)</small>	2. Transaction Date <small>(Month/Day/Year)</small>	2A. Deemed Execution Date, if any <small>(Month/Day/Year)</small>	3. Transaction Code <small>(Instr. 8)</small>		4. Securities Acquired (A) or Disposed of (D) <small>(Instr. 3, 4 and 5)</small>			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) <small>(Instr. 3 and 4)</small>	6. Ownership Form: Direct (D) or Indirect (I) <small>(Instr. 4)</small>	7. Nature of Indirect Beneficial Ownership <small>(Instr. 4)</small>
			Code	V	Amount	(A) or (D)	Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

(Over)
SEC 1474 (06-03)

FORM 4 (continued)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title	Amount or Number of Shares
Phantom Stock	(1)	01/31/2008	02/01/2008	A		3,930.818		(1)	(1)	Common Stock	3,930.818	\$6.36	3,930.818	D		
Phantom Stock	(2)	01/31/2008	02/01/2008	A		982.704		(2)	(2)	Common Stock	982.704	\$0.00	982.704	D		

Explanation of Responses:

See attached statement

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations.
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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** Signature of Reporting Person
/s/Elizabeth DePaola authorized signer for
John Dragoon

02/04/2008

Date

Dragoon, John
1800 S. Novell Place, SJF-1-100
Provo, UT 84606
USA

Explanation of responses:

- (1) Each phantom stock share is the economic equivalent of one share of Novell common stock. The shares of phantom stock will be converted into an equal number of shares of Novell common stock upon the reporting person's termination of service with the company.
- (2) Each phantom stock share is the economic equivalent of one share of Novell common stock. Should the reporting person remain with the company until January 1, 2014, the phantom stock will be converted into an equal number of shares of Novell common stock upon the reporting person's termination of service from the company. Should the reporting person's service with the company terminate prior to January 1, 2014, the phantom stock will be forfeited.