SILICON GRAPHICS INC Form SC 13G/A November 13, 2006

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No.3)*

SILICON GRAPHICS INC

(Name of Issuer)

Common Stock

(Title of Class of Securities)

827056102

(CUSIP Number)

OCTOBER 31, 2006

(Date Of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- [x] Rule 13d-1(b)
- [] Rule 13d-1(c)
- [] Rule 13d-1(d)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Persons who 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.

SEC 17	45 (3-06)														
CUSIP	No.82705610	12				13G				F	age	2	of	6	Pages
1.	NAME OF RE I.R.S. IDE			OF	ABOV	E PER	SON:								
	Morgan Stanley I.R.S. #36-314-5972														
2.	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:														
	(a) [] (b) []														
3.	SEC USE ONLY:														
4.	4. CITIZENSHIP OR PLACE OF ORGANIZATION:														
	The state	of org	anization	is	Dela	ware.									
S	MBER OF SHARES EFICIALLY WNED BY EACH PORTING PERSON WITH:		SOLE VOTI 65,707	NG P	OWER	:									
OW REP P		6.	SHARED VO 0	TING	POW	ER:									
			SOLE DISP 65,707	OSIT	IVE	POWER									
			SHARED DI 0	SPOS	ITIV	E POW	IER:								
9.	AGGREGATE 65,707	AMOUNT	BENEFICI	ALLY	OWN	ED BY	EACH	I REPO	RTING	PEF	SON:	:			
10.	CHECK BOX	IF THE	AGGREGAT	———— Е АМ	IOUNT	IN R	:) EXC	LUDES	CEF	TAIN	1 S	HAR	ES	:
	[]														
11.	PERCENT OF .02%	CLASS	REPRESEN	TED	BY A	MOUNT	IN F	ROW (9):						
12.	TYPE OF REPORTING PERSON: HC, CO														

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Item 1. (a) Name of Issuer: SILICON GRAPHICS INC

	15 MC	Address of Issuer's Principal Executive Offices: 1500 CRITTENDEN LANE MOUNTAIN VIEW, CA 94043										
Item 2.	(a) Na	Name of Person Filing: Norgan Stanley										
	15	ddress of Principal Business Office, or if None, Residence: 585 Broadway ew York, NY 10036										
		itizenship: ne state of organization is Delaware.										
	(-)	itle of Class of Securities: ommon Stock										
) CUSIP Number: 827056102										
Item 3.		statement is filed pursuant to Sections 240.13d-1(b) or -2(b) or (c), check whether the person filing is a:										
	(a) []	Broker or dealer registered under Section 15 of the Act (15 U.S.C. 780).										
	(b) []	Bank as defined in Section 3(a)(6) of the Act (15 U.S.C. 78c).										
	(c) []	Insurance company as defined in Section 3(a)(19) of the Act (15 U.S.C. 78c).										
	(d) []	Investment company registered under Section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).										
	(e) []	An investment adviser in accordance with Sections 240.13d-1(b)(1)(ii)(E);										
	(f) []	An employee benefit plan or endowment fund in accordance with Section 240.13d-1(b)(1)(ii)(F);										
	(g) [x]	A parent holding company or control person in accordance with Section 240.13d-1(b)(1)(ii)(G);										
	(h) []	A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);										
	(i) []	A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);										
	(j) []	Group, in accordance with Section 240.13d-1(b)(1)(ii)(J).										

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Item 4. Ownership as of OCTOBER 31, 2006.

(a)	(a) Amount beneficially owned:									
See	the response(s)	to	Item	9	on	the	attached	cover	page(s).	
									1 -) - (-) -	
(b)	b) Percent of Class:									
See	the response(s)	to	Item	11	on	the	attached	cover	page(s).	

(c) Number of shares as to which such person has:

- Sole power to vote or to direct the vote:See the response(s) to Item 5 on the attached cover page(s).
- (ii) Shared power to vote or to direct the vote: See the response(s) to Item 6 on the attached cover page(s).
- (iii) Sole power to dispose or to direct the disposition of: See the response(s) to Item 7 on the attached cover page(s).
- (iv) Shared power to dispose or to direct the disposition of: See the response(s) to Item 8 on the attached cover page(s).
- Item 5. Ownership of Five Percent or Less of a Class.

As of the date hereof, Morgan Stanley has ceased to be the beneficial owner of more than five percent of the class of securities.

- Item 6. Ownership of More Than Five Percent on Behalf of Another Person. Not Applicable
- Item 7. Identification and Classification of the Subsidiary which Acquired the Security Being Reported on By the Parent Holding Company. Not Applicable
- Item 8. Identification and Classification of Members of the Group. Not Applicable
- Item 9. Notice of Dissolution of Group. Not Applicable
- Item 10. Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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Signature.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: NOVEMBER	10,	2006	
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Signature: /s/ Jill Ostergaard

EXHIBIT NO.

EXHIBITS

PAGE

99.1 Secretary's Certificate Authorizing Jill Ostergaard 6 to Sign on behalf of Morgan Stanley

* Attention. Intentional misstatements or omissions of fact constitute federal criminal violations (see 18 U.S.C. 1001).

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EXHIBIT NO. 99.1

MORGAN STANLEY

SECRETARY'S CERTIFICATE

I, Charlene R. Herzer, a duly elected and acting Assistant Secretary of Morgan Stanley, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), certify as follows:

- Gary G. Lynch is the duly elected Executive Vice President, Chief Legal Officer and Secretary of the Corporation;
- (2) Pursuant to Section 7.01 of the Bylaws of the Corporation and resolutions approved by the Board of Directors of the Corporation on September 25, 1998, the Chief Legal Officer is authorized to enter into agreements and other instruments on behalf of the Corporation and may delegate such powers to others under his jurisdiction; and
- (3) Mr. Lynch signed a Delegation of Authority, dated as of April 7, 2006, which authorized Stuart J. M. Breslow, Dennine Bullard, John H. Faulkner, Christopher L. O'Dell and Jill W. Ostergaard to sign reports to be filed under Section 13 and 16 of the Securities Exchange Act of 1934 on behalf of the Corporation. Such authorization is in full force and effect as of this date

IN WITNESS WHEREOF, I have hereunto set my name and affixed the seal of the Corporation as of the 10th day of July, 2006.

Charlene R. Herzer Assistant Secretary