SILICON GRAPHICS INC Form SC 13G February 15, 2007

	OMB APPROVAL	
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hours per	response	10.4

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No._) *

SILICON GRAPHICS INC

(Name of Issuer)

Common Stock

(Title of Class of Securities)

827056300

(CUSIP Number)

December 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 1745 (3-06)

CUSIP	No.827056300	13G	Page 2 of 8 Pages
1.	NAME OF REPORT	ING PERSON: ICATION NO. OF ABOVE PERSON:	
	Morgan Stanley I.R.S. #36-314	5972	
2.	CHECK THE APPR	OPRIATE BOX IF A MEMBER OF A GROUP	·:
	(a) []		
	(b) []		
3.	SEC USE ONLY:		
4.	CITIZENSHIP OF	PLACE OF ORGANIZATION:	
	The state of o	rganization is Delaware.	
SHARES	HARES	SOLE VOTING POWER: 688,152	
OW	NED BY 6. EACH	SHARED VOTING POWER:	
REPORTING PERSON WITH:	ERSON 7. WITH:	SOLE DISPOSITIVE POWER: 688,152	
		SHARED DISPOSITIVE POWER:	
9.	AGGREGATE AMOU	NT BENEFICIALLY OWNED BY EACH REPO	PRTING PERSON:
10.	CHECK BOX IF 1	HE AGGREGATE AMOUNT IN ROW (9) EXC	LUDES CERTAIN SHARES:
	[]		
11.	PERCENT OF CLA	SS REPRESENTED BY AMOUNT IN ROW (9)):
12.	TYPE OF REPORT	ING PERSON:	

CUSIP No.827056300 13G Page 3 of 8 Pages

1. NAME OF REPORTING PERSON:

	I.R.S. IDENTIFICATION NO. OF ABOVE PERSON:				
	Morgan Stanley & Co. Incorporated I.R.S. #13-2655998				
2.	2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:				
	(a) []				
	(b) []				
3.	SEC USE O	NLY:			
4.	CITIZENSH	IP OR PLACE OF ORGANIZATION:			
	The state	of organization is Delaware.			
S	 BER OF HARES FICIALLY	5. SOLE VOTING POWER: 651,637			
OW	NED BY EACH	6. SHARED VOTING POWER:			
REPORTING PERSON WITH:		7. SOLE DISPOSITIVE POWER: 651,637			
		8. SHARED DISPOSITIVE POWER: 0			
9.	AGGREGATE 651,637	AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:			
10.	CHECK BOX	IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARE	s:		
	[]				
11.	PERCENT O	F CLASS REPRESENTED BY AMOUNT IN ROW (9):			
12.	TYPE OF R	EPORTING PERSON:			
CUSIP 1	No.8270563	00 13G Page 4 of 8	Pages		
Item 1	. (a)	Name of Issuer:			
		SILICON GRAPHICS INC			
	(b)	Address of Issuer's Principal Executive Offices:			
		1500 CRITTENDEN LANE MOUNTAIN VIEW, CA 94043			

Item 2. (a) Name of Person Filing:

- (1) Morgan Stanley
- (2) Morgan Stanley & Co. Incorporated

- (b) Address of Principal Business Office, or if None, Residence:
 - (1) 1585 Broadway
 New York, NY 10036
 - (2) 1585 Broadway
 New York, NY 10036

- (c) Citizenship:
 - (1) The state of organization is Delaware.
 - (2) The state of organization is Delaware.

(d) Title of Class of Securities:

Common Stock

(e) CUSIP Number:

827056300

- Item 3. If this statement is filed pursuant to Sections 240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

 - (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 Section 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); Morgan Stanley
 - (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).

- Item 4. Ownership as of December 31, 2006.*
 - (a) Amount beneficially owned:
 See the response(s) to Item 9 on the attached cover page(s).
 - (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:
 - (i) 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.

Not Applicable

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.

See Exhibit 99.2

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.

^{*}In Accordance with the Securities and Exchange Commission Release No. 34-39538 (January 12, 1998) (the "Release"), this filing reflects the securities beneficially owned by certain operating units (collectively, the "MS Reporting Units") of Morgan Stanley and its subsidiaries and affiliates (collectively, "MS"). This filing does not reflect securities, if any, beneficially owned by any operating units of MS whose ownership of securities is disaggregated from

that of the MS Reporting Units in accordance with the Release.

CUSIP No.82	/US63UU 	13-G	Page 6 of 8 Page:		
		Signature.			
		and to the best of my knowled forth in this statement is tr			
Date:	February 15, 2007				
Signature:	/s/ Dennine Bullard				
Name/Title:	Dennine Bullard/Executive Director, Morgan Stanley & Co. Incorporated				
	MORGAN STANLE				
Date:	February 15, 2007				
Signature:	/s/ Dennine Bullard				
Name/Title:	Dennine Bullard/Executive Director, Morgan Stanley & Co. Incorporated				
	MORGAN STANLE	Y & CO. INCORPORATED			
EXHIBIT NO.		EXHIBITS	PAG		
99.1		Joint Filing Agreement	7		
99.2		Item 7 Information	8		
		misstatements or omissions of e 18 U.S.C. 1001).	f fact constitute federal		
CUSIP No.82		13-G	Page 7 of 8 Page		
·		HIBIT NO. 99.1 TO SCHEDULE 13			

February 15, 2007

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MORGAN STANLEY and MORGAN STANLEY & CO. INCORPORATED, hereby agree that, unless differentiated, this Schedule 13G is filed on behalf of each of the parties.

MORGAN STANLEY

BY: /s/ Dennine Bullard

Dennine Bullard/Executive Director, Morgan Stanley & Co. Incorporated

MORGAN STANLEY & CO. INCORPORATED

BY: /s/ Dennine Bullard

Dennine Bullard /Executive Director, Morgan Stanley & Co. Incorporated

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

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EXHIBIT NO. 99.2

ITEM 7 INFORMATION

The securities being reported upon by Morgan Stanley as a parent holding company are owned, or may be deemed to be beneficially owned, by Morgan Stanley & Co. Incorporated, a broker dealer registered under Section 15 of the Securities Exchange Act of 1934, as amended. Morgan Stanley & Co. Incorporated is a wholly-owned subsidiary of Morgan Stanley.