IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

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| VERSATA SOFTWARE, INC., VERSATA DEVELOPMENT GROUP, INC., CLEAR TECHNOLOGY, INC., and VERSATA FZ-LLC, | ) | |
| Plaintiffs, | ) | C.A. No. _____ |
| v. | ) | **DEMAND FOR JURY TRIAL** |
| CALLIDUS SOFTWARE, INC., | ) | |
| Defendant. | ) | |

## COMPLAINT

Plaintiffs Versata Software, Inc., Versata Development Group, Inc., f/k/a Trilogy Development Group, Inc., Clear Technology, Inc., and Versata FZ-LLC (collectively "Versata") file this Complaint for patent infringement against Defendant Callidus Software, Inc. ("Callidus").

## PARTIES

1. Plaintiff Versata Software, Inc. is a Delaware corporation with its principal place of business at 6011 West Courtyard Drive, Austin, Texas 78730.

2. Plaintiff Versata Development Group, Inc., f/k/a Trilogy Development Group, Inc., is a Delaware corporation with its principal place of business at 6011 West Courtyard Drive, Austin, Texas 78730.

3. Plaintiff Clear Technology, Inc. is a Delaware corporation with its principal place of business at 6011 West Courtyard Drive, Austin, Texas 78730.

4. Plaintiff Versata FZ-LLC is a Dubai free zone limited liability company with its principal place of business at 707-708 Al Thuraya 1, Dubai Media City, PO Box 502092, Dubai, 43659, United Arab Emirates.

5. On information and belief, Defendant Callidus Software, Inc. is a Delaware corporation with its principal place of business at 6200 Stoneridge Mall Road, Suite 500, Pleasanton, California 94588. On information and belief, Callidus Software USA, Inc. may be served with process through its registered agent, The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.

## JURISDICTION AND VENUE

6. This is an action for patent infringement under the Patent Laws of the United States, 35 U.S.C. § 271.

7. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

8. Venue is proper in this judicial district under 28 U.S.C. §§ 1391(b) and 1400(b).

9. On information and belief, Callidus is subject to this Court's specific and general personal jurisdiction. On information and belief, Callidus has transacted business in this judicial district, has derived substantial revenue from goods and services provided to individuals in Delaware and in this judicial district, and has committed and/or induced acts of patent infringement in this judicial district.

## BACKGROUND

10. On September 19, 2006, the USPTO duly and legally issued United States Patent No. 7,110,988 ("the '988 patent"), entitled "Automated System and Method for Creating Aligned Goals." Versata holds all right, title, and interest in and to the '988 patent (a true and correct copy of which is attached hereto as Exhibit A).

11. On March 1, 2005, the USPTO duly and legally issued United States Patent No. 6,862,573 ("the '573 patent"), entitled "Automated Transaction Management System

and Method." Versata holds all right, title, and interest in and to the '573 patent (a true and correct copy of which is attached hereto as Exhibit B).

12. On information and belief, Callidus makes, uses, licenses, sells, offers for sale, or imports in the State of Delaware, in this judicial district, and elsewhere within the United States software, including Callidus' TrueComp, TrueMBO, and TrueQuota software, as well as related services, that infringes the '988 and '573 patents.

**COUNT I: INFRINGEMENT OF THE '988 PATENT**

13. Versata realleges and incorporates by reference herein the allegations contained in Paragraphs 1 through 12.

14. Callidus has been and is now directly infringing, and indirectly infringing by way of inducing the infringement of and/or contributing to the infringement of, the '988 patent in the State of Delaware, in this judicial district, and elsewhere within the United States by, among other things, making, using, licensing, selling, offering for sale, or importing software, including Callidus' TrueMBO and TrueQuota software, and related services covered by one or more claims of the '988 patent, all to the injury of Versata.

15. Callidus has, at least as of the date of the filing of this complaint, knowledge of the '988 patent and knowledge that its actions as described above are inducing and/or contributing to infringement of the '988 patent.

16. Versata has been damaged by Callidus' infringement of the '988 patent in an amount to be determined at trial, and has suffered and will continue to suffer irreparable loss and injury unless Callidus is permanently enjoined from infringing the '988 patent.

**COUNT II: INFRINGEMENT OF THE '573 PATENT**

17. Versata realleges and incorporates by reference herein the allegations contained in Paragraphs 1 through 16.

18. Callidus has been and is now directly infringing, and indirectly infringing by way of inducing the infringement of and/or contributing to the infringement of, the ‘573 patent in the State of Delaware, in this judicial district, and elsewhere within the United States by, among other things, making, using, licensing, selling, offering for sale, or importing software, including Callidus' TrueComp software, and related services covered by one or more claims of the ‘573 patent, all to the injury of Versata.

19. Callidus has, at least as of the date of the filing of this complaint, knowledge of the '573 patent and knowledge that its actions as described above are inducing and/or contributing to infringement of the '573 patent.

20. Versata has been damaged by Callidus’ infringement of the ‘573 patent in an amount to be determined at trial, and has suffered and will continue to suffer irreparable loss and injury unless Callidus is permanently enjoined from infringing the ‘573 patent.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs Versata Software, Inc., Versata Development Group, Inc., Clear Technology, Inc., and Versata FZ-LLC pray for the following relief against Defendant Callidus Software, Inc.:

A. A judgment in favor of Versata that Callidus has infringed, directly and indirectly by way of inducing the infringement of and/or contributing to the infringement of Versata’s ‘988 and '573 patents;

B. A permanent injunction, enjoining Callidus and its officers, directors, agents, servants, employees, affiliates, divisions, branches, subsidiaries, and parents from infringing, inducing the infringement of, or contributing to the infringement of Versata’s ‘988 and '573 patents;

C. A judgment and order requiring Callidus to pay Versata damages for Callidus' infringement of Versata's '988 and '573 patents, together with interest (both pre- and post-judgment), costs, and disbursements as fixed by this Court under 35 U.S.C. § 284;

D. A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding to Versata its reasonable attorneys' fees; and

E. Such other and further relief in law or in equity to which Versata may be justly entitled.

**DEMAND FOR JURY TRIAL**

Under Federal Rule of Civil Procedure 38, Plaintiffs request a trial by jury of any issues so triable by right.

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

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