IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

VERSATA SOFTWARE, INC. and VERSATA DEVELOPMENT GROUP, INC. Plaintiffs, v. CALLIDUS SOFTWARE, INC., Defendant.	)	C.A. No. _____ **DEMAND FOR JURY TRIAL**

COMPLAINT

Plaintiffs Versata Software, Inc. and Versata Development Group, Inc., f/k/a Trilogy Development Group, Inc. (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. 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, 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

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

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

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

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

PATENTS

8. On June 7, 2011, the United States Patent and Trademark Office ("USPTO") duly and legally issued United States Patent No. 7,958,024 ("the '024 patent"), entitled "Method and Apparatus for Processing Sales Transaction Data." Versata holds all right, title, and interest in and to the '024 patent (a true and correct copy of which is attached hereto as Exhibit A).

9. On March 15, 2011, the USPTO duly and legally issued United States Patent No. 7,908,304 ("the '304 patent"), entitled "Method and System for Managing Distributor Information." Versata holds all right, title, and interest in and to the '304 patent (a true and correct copy of which is attached hereto as Exhibit B).

10. On March 8, 2011, the USPTO duly and legally issued United States Patent No. 7,904,326 ("the '326 patent"), entitled "Method and Apparatus for Performing

Collective Validation of Credential Information." Versata holds all right, title, and interest in and to the '326 patent (a true and correct copy of which is attached hereto as Exhibit C).

11. On information and belief, Callidus makes, uses, licenses, sells, offers for sale, and/or imports in the State of Delaware, in this judicial district, and elsewhere within the United States software that infringes the '024, '304 and '326 patents, including Callidus's SPM Suite, and specifically including Callidus's TrueComp and TrueProducer products.

COUNT I: INFRINGEMENT OF THE '024 PATENT

12. Versata realleges and incorporates by reference herein the allegations contained in Paragraphs 1 through 11.

13. 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 '024 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's TrueComp software and related services covered by one or more claims of the '024 patent, all to the injury of Versata.

14. By making, using, selling, licensing, and/or offering to sell within the United States, and/or importing into the United States their products, Defendants have directly infringed, and will continue to directly infringe, one or more claims of the '024 patent literally and/or under the doctrine of equivalents.

15. Callidus has, at least as of the date of the filing of this complaint, knowledge of the '024 patent, knowledge that its actions as described above are directly infringing, inducing and/or contributing to the infringement of the '024 patent, and knowledge that its TrueComp product lacks substantial non-infringing uses.

16. Versata has been damaged by Callidus's infringement of the '024 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 '024 patent.

COUNT II: INFRINGEMENT OF THE '304 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 '304 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's SPM Suite and specifically including Callidus's TrueComp and TrueProducer software and related services covered by one or more claims of the '304 patent, all to the injury of Versata.

19. By making, using, selling, licensing, and/or offering to sell within the United States, and/or importing into the United States their products, Defendants have directly infringed, and will continue to directly infringe, one or more claims of the '304 patent literally and/or under the doctrine of equivalents.

20. Callidus has, at least as of the date of the filing of this complaint, knowledge of the '304 patent, knowledge that its actions as described above are directly infringing, inducing and/or contributing to the infringement of the '304 patent, and knowledge that its SPM Suite including specifically the TrueComp and TrueProducer products lack substantial non-infringing uses.

21. Versata has been damaged by Callidus's infringement of the '304 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 '304 patent.

COUNT III: INFRINGEMENT OF THE '326 PATENT

22. Versata realleges and incorporates by reference herein the allegations contained in Paragraphs 1 through 21.

23. 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 '326 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's SPM Suite and specifically including Callidus's TrueComp and TrueProducer software and related services covered by one or more claims of the '326 patent, all to the injury of Versata.

24. By making, using, selling, licensing, and/or offering to sell within the United States, and/or importing into the United States their products, Defendants have directly infringed, and will continue to directly infringe, one or more claims of the '326 patent literally and/or under the doctrine of equivalents.

25. Callidus has, at least as of the date of the filing of this complaint, knowledge of the '326 patent, knowledge that its actions as described above are inducing and/or contributing to the infringement of the '326 patent, and knowledge that its SPM Suite including specifically the TrueComp and TrueProducer products lack substantial non-infringing uses.

26. Versata has been damaged by Callidus' infringement of the '326 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 '326 patent.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs Versata Software, Inc. and Versata Development Group, Inc. 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 '024, '304 and '326 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 '024, '304 and '326 patents;

C. A judgment and order requiring Callidus to pay Versata damages for Callidus's infringement of Versata's '024, '304 and '326 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. Any such other and further relief in law or in equity to which Versata may be justly entitled.

DEMAND FOR JURY TRIAL

Plaintiffs request a trial by jury of any issues so triable by right.

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