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RONALD A. KATZ TECHNOLOGY LICENSING, L.P.

13 UNITED STATES DISTRICT COURT  
14 CENTRAL DISTRICT OF CALIFORNIA

16 In re: Katz Interactive Call Processing  
Patent Litigation,  
17 Ronald A. Katz Technology Licensing,  
18 L.P. v. Ameren Corporation; Union  
Electric Company d/b/a AmerenUE;  
19 Central Illinois Public Service Company  
d/b/a AmerenCIPS; CILCORP, Inc.; and  
20 Central Illinois Light Company d/b/a  
AmerenCILCO

21 CV 07-4955 RGK (FFMx)

Case No. 07-ML-01816-C-RGK (FFMx)

**PLAINTIFF RONALD A. KATZ  
TECHNOLOGY LICENSING, L.P.'S  
FIRST AMENDED COMPLAINT  
FOR PATENT INFRINGEMENT**

**DEMAND FOR JURY TRIAL**

FILED  
2008 MAY 22 AM 10:04  
CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
LOS ANGELES

1 Plaintiff Ronald A. Katz Technology Licensing, L.P. (“Katz Technology  
2 Licensing”) states as follows for its complaint against Ameren Corporation, Union  
3 Electric Company d/b/a AmerenUE, Central Illinois Public Service Company d/b/a  
4 AmerenCIPS, CILCORP, Inc., and Central Illinois Light Company d/b/a  
5 AmerenCILCO (together, “Defendants”):

6 **THE PARTIES**

7 1. Plaintiff Katz Technology Licensing is a California limited partnership  
8 with its principal place of business at 9220 Sunset Boulevard, Suite 315,  
9 Los Angeles, California 90069.

10 2. On information and belief, Defendant Ameren Corporation is a Missouri  
11 corporation with its principal place of business at 1901 Chouteau Avenue, St. Louis,  
12 Missouri 63103.

13 3. On information and belief, Defendant Union Electric Company d/b/a  
14 AmerenUE is (a) a Missouri corporation with its principal place of business at 1901  
15 Chouteau Avenue, St. Louis, Missouri 63103, and (b) a subsidiary of Ameren  
16 Corporation.

17 4. On information and belief, Defendant Central Illinois Public Service  
18 Company d/b/a AmerenCIPS is (a) an Illinois corporation with its principal place of  
19 business at 607 E. Adams St., Springfield, Illinois 62739, and (b) a subsidiary of  
20 Ameren Corporation.

21 5. On information and belief, Defendant CILCORP, Inc. is (a) an Illinois  
22 corporation with its principal place of business at 300 Liberty St., Peoria, Illinois  
23 61602, and a subsidiary of Ameren Corporation.

24 6. On information and belief, Defendant Central Illinois Light Company  
25 d/b/a AmerenCILCO is (a) an Illinois corporation with its principal place of business  
26 at 300 Liberty St., Peoria, Illinois 61602, and (b) a subsidiary of Ameren  
27 Corporation.

28



**JURISDICTION AND VENUE**

1  
2 7. This is an action arising under the patent laws of the United States, 35  
3 U.S.C. sections 101 *et seq.* This Court has subject matter jurisdiction over this action  
4 under 28 U.S.C. sections 1331 and 1338(a).

5 8. Defendants Ameren Corporation and Union Electric Company d/b/a  
6 AmerenUE are subject to personal jurisdiction in the Eastern District of Missouri  
7 because, on information and belief, (1) they are Missouri corporations and have their  
8 principal places of business in this district; (2) they do substantial business in this  
9 district; (3) they operate infringing automated call processing systems that are  
10 available to their customers, including customers in this district; and (4) they  
11 regularly solicit business from, do business with, and derive revenue from goods and  
12 services provided to, customers in this district. Defendants Central Illinois Public  
13 Service Company d/b/a AmerenCIPS, CILCORP, Inc., and Central Illinois Light  
14 Company d/b/a AmerenCILCO have consented to personal jurisdiction in the Eastern  
15 District of Missouri for purposes of this lawsuit.

16 9. Venue is proper in this judicial district under 28 U.S.C. sections 1391(c)  
17 and 1400(b) because Defendants are incorporated, reside and/or engage in significant  
18 business activities in the Eastern District of Missouri or have consented to venue for  
19 purposes of this action, as set forth above.

20 **BACKGROUND**

21 10. Ronald A. Katz (“Mr. Katz”), founder of Katz Technology Licensing, is  
22 the sole inventor of each of the patents-in-suit. Mr. Katz has been widely recognized  
23 as one of the most prolific and successful inventors of our time, and his inventions  
24 over the last forty-plus years have been utilized by literally millions of people.

25 11. In 1961, Mr. Katz co-founded Telecredit Inc. (“Telecredit”), the first  
26 company to provide online, real-time credit authorization, allowing merchants to  
27 verify checks over the telephone. Further innovations from Telecredit include the  
28 first online, real-time, point-of-sale credit verification terminal, which enabled

1 merchants to verify checks without requiring the assistance of a live operator, and the  
2 first device that used and updated magnetically-encoded cards in automated teller  
3 machines. Multiple patents issued from these innovations, including patents co-  
4 invented by Mr. Katz.

5 12. Telecredit was eventually acquired by Equifax, and has now been spun  
6 off as Certegy, a public company traded on the New York Stock Exchange. Certegy  
7 continues to provide services in the credit and check verification field established by  
8 Mr. Katz and Telecredit.

9 13. Mr. Katz's inventions have not been limited to telephonic check  
10 verification. Indeed, Mr. Katz is responsible for advancements in many fields of  
11 technology. Among his most prominent and well-known innovations are those in the  
12 field of interactive call processing. Mr. Katz's inventions in that field are directed to  
13 the integration of telephonic systems with computer databases and live operator call  
14 centers to provide interactive call processing services.

15 14. The first of Mr. Katz's interactive call processing patents issued on  
16 December 20, 1988. More than fifty U.S. patents have issued to Mr. Katz for his  
17 inventions in the interactive call-processing field, including each of the patents-in-  
18 suit.

19 15. In 1988, Mr. Katz partnered with American Express to establish FDR  
20 Interactive Technologies, later renamed Call Interactive, to provide interactive call  
21 processing services based on Mr. Katz's inventions. The American Express business  
22 unit involved in this joint venture later became known as First Data.

23 16. Early clients of Call Interactive included *The New York Times*, ABC's  
24 *Monday Night Football*, KABC Radio, CBS News, and Beatrice Foods (Hunt-  
25 Wesson division).

26 17. Many of these clients utilized Call Interactive technology for high-  
27 profile events. For example, CBS News hired Call Interactive to operate an  
28



1 interactive, real-time telephone poll to gauge viewer reaction to President  
2 George H.W. Bush's 1992 State of the Union address.

3 18. Mr. Katz sold his interest in Call Interactive to American Express in  
4 1989 but continued to provide advisory services to Call Interactive until 1992.  
5 American Express later spun off the First Data business unit into a separate  
6 corporation, and with that new entity went Mr. Katz's interactive call processing  
7 patents and the Call Interactive call processing business. The former Call Interactive,  
8 now known as First Data Voice Services, continues to provide call processing  
9 solutions today.

10 19. In 1994, Mr. Katz formed Katz Technology Licensing, which acquired  
11 the rights to the entire interactive call processing patent portfolio, including the rights  
12 to each of the patents-in-suit, from First Data, the owner of all of the Katz interactive  
13 call processing patents at that time.

14 20. The marketplace has clearly recognized the value of Mr. Katz's  
15 inventions. Indeed, over two hundred companies have licensed the patents-in-suit.  
16 Licensees include IBM, Hewlett-Packard, Pacific Gas & Electric Company, Bank of  
17 America, JPMorgan Chase, Wells Fargo, HSBC, Verizon, Sprint, Microsoft, Delta  
18 Airlines, Merck, Sears, Citibank, and the Home Shopping Network. These licensees  
19 and others acknowledge the applicability of the patents-in-suit to multiple fields of  
20 use, including but not limited to financial services call processing, automated  
21 securities transactions, automated credit card authorization services, automated  
22 wireless telecommunication services and support, automated health care services, and  
23 product and service support.

24 21. Each of the defendants employs the inventions of certain of the patents-  
25 in-suit. Katz Technology Licensing, through its licensing arm A2D, L.P., has  
26 repeatedly attempted to engage each defendant in licensing negotiations, but to date,  
27 none of the defendants has agreed to take a license to any of the patents-in-suit.

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**THE ASSERTED PATENTS**

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22. On December 20, 1988, the United States Patent and Trademark Office duly and legally issued United States Patent No. 4,792,968 (the “‘968 Patent”) to Ronald A. Katz for an invention entitled “Statistical Analysis System for Use With Public Communication Facility.” The ‘968 Patent expired on December 20, 2005.

23. On May 29, 1990, the United States Patent and Trademark Office duly and legally issued United States Patent No. 4,930,150 (the “‘150 Patent”) to Ronald A. Katz for an invention entitled “Telephonic Interface Control System.” The ‘150 Patent expired on December 20, 2005.

24. On July 7, 1992, the United States Patent and Trademark Office duly and legally issued United States Patent No. 5,128,984 (the “‘984 Patent”) to Ronald A. Katz for an invention entitled “Telephone Interface Call Processing System With Call Selectivity.”

25. On October 5, 1993, the United States Patent and Trademark Office duly and legally issued United States Patent No. 5,251,252 (the “‘252 Patent”) to Ronald A. Katz for an invention entitled “Telephone Interface Call Processing System With Call Selectivity.”

26. On September 27, 1994, the United States Patent and Trademark Office duly and legally issued United States Patent No. 5,351,285 (the “‘285 Patent”) to Ronald A. Katz for an invention entitled “Multiple Format Telephonic Interface Control System.” The ‘285 Patent expired on December 20, 2005.

27. On November 4, 1997, the United States Patent and Trademark Office duly and legally issued United States Patent No. 5,684,863 (the “‘863 Patent”) to Ronald A. Katz for an invention entitled “Telephonic-Interface Statistical Analysis System.” The ‘863 Patent expired on December 20, 2005.

28. On September 29, 1998, the United States Patent and Trademark Office duly and legally issued United States Patent No. 5,815,551 (the “‘551 Patent”) to



1 Ronald A. Katz for an invention entitled “Telephonic-Interface Statistical Analysis  
2 System.” The ‘551 Patent expired on December 20, 2005.

3 29. On October 27, 1998, the United States Patent and Trademark Office  
4 duly and legally issued United States Patent No. 5,828,734 (the “‘734 Patent”) to  
5 Ronald A. Katz for an invention entitled “Telephone Interface Call Processing  
6 System With Call Selectivity.”

7 30. On April 27, 1999, the United States Patent and Trademark Office duly  
8 and legally issued United States Patent No. 5,898,762 (the “‘762 Patent”) to  
9 Ronald A. Katz for an invention entitled “Telephonic-Interface Statistical Analysis  
10 System.” The ‘762 Patent expired on December 20, 2005.

11 31. On June 29, 1999, the United States Patent and Trademark Office duly  
12 and legally issued United States Patent No. 5,917,893 (the “‘893 Patent”) to  
13 Ronald A. Katz for an invention entitled “Multiple Format Telephonic Interface  
14 Control System.” The ‘893 Patent expired on December 20, 2005.

15 32. On October 26, 1999, the United States Patent and Trademark Office  
16 duly and legally issued United States Patent No. 5,974,120 (the “‘120 Patent”) to  
17 Ronald A. Katz for an invention entitled “Telephone Interface Call Processing  
18 System With Call Selectivity.”

19 33. On November 14, 2000, the United States Patent and Trademark Office  
20 duly and legally issued United States Patent No. 6,148,065 (the “‘065 Patent”) to  
21 Ronald A. Katz for an invention entitled “Telephonic-Interface Statistical Analysis  
22 System.” The ‘065 Patent expired on July 10, 2005.

23 34. On January 1, 2002, the United States Patent and Trademark Office duly  
24 and legally issued United States Patent No. 6,335,965 (the “‘965 Patent”) to  
25 Ronald A. Katz for an invention entitled “Voice-Data Telephonic Interface Control  
26 System.” The ‘965 Patent expired on December 20, 2005.

27 35. On February 19, 2002, the United States Patent and Trademark Office  
28 duly and legally issued United States Patent No. 6,349,134 (the “‘134 Patent”) to

1 Ronald A. Katz for an invention entitled “Telephonic-Interface Statistical Analysis  
2 System.” The ‘134 Patent expired on December 20, 2005.

3 36. On August 13, 2002, the United States Patent and Trademark Office  
4 duly and legally issued United States Patent No. 6,434,223 (the “‘223 Patent”) to  
5 Ronald A. Katz for an invention entitled “Telephone Interface Call Processing  
6 System With Call Selectivity.” The ‘223 Patent expired on July 10, 2005.

7 37. On January 13, 2004, the United States Patent and Trademark Office  
8 duly and legally issued United States Patent No. 6,678,360 (the “‘360 Patent”) to  
9 Ronald A. Katz for an invention entitled “Telephonic-Interface Statistical Analysis  
10 System.” The ‘360 Patent expired on July 10, 2005.

11 **CLAIM FOR PATENT INFRINGEMENT**

12 38. Katz Technology Licensing realleges and incorporates by reference  
13 Paragraphs 1-37 of this Complaint as if fully set forth herein.

14 39. Defendants provide electric utility and other services to customers in  
15 Missouri, Illinois, and other states.

16 40. On information and belief, Defendants use infringing call processing  
17 systems to offer automated account and investment services to their customers.  
18 Using an automated system, in some instances in connection with operators,  
19 Defendants allow their customers to access and update information about their  
20 utilities and stock accounts, report outages, make payments, request copies of past  
21 bills, start and stop service and perform various other functions.

22 41. Katz Technology Licensing is the sole holder of the entire right, title,  
23 and interest in the ‘065, ‘120, ‘134, ‘150, ‘223, ‘252, ‘285, ‘360, ‘551, ‘734, ‘762,  
24 ‘863, ‘893, ‘965, ‘968 and ‘984 Patents.

25 42. On information and belief, in their automated customer service  
26 operations described in Paragraph 40 (collectively, the “Accused Services”),  
27 Defendants have been and are now infringing, actively inducing the infringement of,  
28 or contributing to the infringement of one or more claims of the patents identified in



1 Paragraph 41 of this Complaint by making, using, offering to sell, or selling the  
2 Accused Services.

3 43. On information and belief, Defendants continue to infringe, actively  
4 induce the infringement of, and contribute to the infringement of one or more claims  
5 of the '120, '252, '734 and '984 Patents by making, using, offering to sell, or selling  
6 the Accused Services.

7 44. Defendants' infringement of the patents identified in Paragraph 41 of  
8 this Complaint has been and is willful.

9 45. Defendants' infringement has caused and will continue to cause Katz  
10 Technology Licensing irreparable harm unless enjoined by this Court. Katz  
11 Technology Licensing has no adequate remedy at law.

12 **PRAYER FOR RELIEF**

13 WHEREFORE, Ronald A. Katz Technology Licensing, L.P., respectfully  
14 requests that this Court enter judgment in its favor and against the defendants and  
15 grant the following relief:

16 1. Adjudge that Defendants have been and are infringing one or more  
17 claims of the patents identified in Paragraph 41 of this Complaint by offering the  
18 Accused Services;

19 2. Adjudge that Defendants' infringement has been and is willful;

20 3. Enter an order, pursuant to 35 U.S.C. § 283, temporarily, preliminarily,  
21 and permanently enjoining Defendants, and all persons in active concert or  
22 participation with them, from any further acts of infringement, contributory  
23 infringement, or inducement of infringement of the '120, '252, '734 and '984  
24 Patents;

25 4. Order an accounting for damages resulting from Defendants'  
26 infringement of the patents identified in Paragraph 41 of this Complaint;

27 5. Enter an order, pursuant to 35 U.S.C. § 284, awarding to Katz  
28 Technology Licensing damages adequate to compensate Katz Technology Licensing

1 for Defendants' infringement, but in no event less than a reasonable royalty, together  
2 with pre-judgment and post-judgment interest;

3 6. Enter an order, pursuant to 35 U.S.C. § 284, and based on Defendants'  
4 willful infringement, trebling all damages awarded to Katz Technology Licensing  
5 and against Defendants;

6 7. Enter an order, pursuant to 35 U.S.C. § 285, finding that this is an  
7 exceptional case and awarding to Katz Technology Licensing its reasonable  
8 attorneys' fees incurred in this action; and

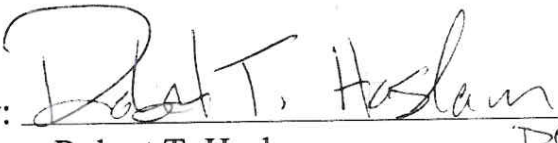

9 8. Award such other relief as the Court may deem appropriate and just  
10 under the circumstances.

11 **DEMAND FOR JURY TRIAL**

12 Pursuant to Fed. R. Civ. R. 38(b), Plaintiff hereby demands a trial by jury of all  
13 issues so triable.

14 DATED: May 21, 2008

HELLER EHRMAN LLP

15  
16 By:   
17 Robert T. Haslam 

18 Attorneys for Plaintiff RONALD A. KATZ  
19 TECHNOLOGY LICENSING, L.P.  
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