

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): OCTOBER 3, 1996

ITRON, INC.
(Exact name of registrant as specified in charter)

WASHINGTON
(State or other jurisdiction of incorporation)

0-22418
(Commission File Number)

91-1011792
(IRS Employer Identification No.)

2818 NORTH SULLIVAN ROAD
SPOKANE, WASHINGTON 99216-1897
(Address of principal executive offices) (Zip Code)

(509) 924-9900
(Registrant's telephone number, including area code)

NONE
(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS

On October 3, 1996, Itron, Inc. (the "Company") filed a patent infringement suit against CellNet Data Systems, Inc. ("CellNet"), a California corporation. The suit, filed in the United States District Court of Minnesota, claims that CellNet is infringing on the Company's United States Patent No. 5,553,094, entitled "Radio Communication Network for Remote Data Generating Stations," issued on September 3, 1996 (the "'094 Patent"). The Company is seeking injunctive relief against CellNet for making, using, selling or offering to sell the infringing products and engaging in any further infringement of the '094 Patent. The Company is also seeking damages as well as costs and attorneys' fees pursuant to 35 U.S.C. Section 284.

ITEM 7: EXHIBITS

Exhibit Number	Description
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99.1	Complaint filed with the United States District Court, District of Minnesota

October 3, 1996, Itron, Inc. v. CellNet Data Systems, Inc.

99.2 Company Press Release dated October 3, 1996

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ITRON, INC.
(Registrant)

By: /s/ DAVID G. REMINGTON

Name: David G. Remington
Title: Chief Financial Officer
(Authorized Officer and Principal
Financial Officer)

Dated: October 8, 1996

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EXHIBIT INDEX

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99.1	Complaint filed with the United States District Court, District of Minnesota October 3, 1996, Itron, Inc. v. CellNet Data Systems, Inc.
99.2	Company Press Release dated October 3, 1996

EXHIBIT 99.1

Exhibit 99.1

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

ITRON, INC.,
a Washington Corporation,

Civil Action No. _____

Plaintiff,

v.

CELLNET DATA SYSTEMS, INC.,
a California Corporation,

COMPLAINT

(Trial By Jury Demanded)

Defendant.

Plaintiff Itron, Inc., for its Complaint against defendant CellNet Data Systems, Inc., states and allege as follows:

THE PARTIES

1. Plaintiff Itron, Inc. ("Itron"), is a Washington corporation with its principal place of business at East 15616 Euclid Avenue, Spokane, Washington.

2. Itron designs, manufactures, and sells, among other things, wide area automatic meter reading and data communications systems. These systems are sold to public and private utility companies.

3. Defendant CellNet Data Systems, Inc. ("CellNet"), is a California corporation with its principal place of business at 125 Shoreway Road, San Carlos, California.

JURISDICTION AND VENUE

4. Jurisdiction over plaintiff's federal claim of patent infringement is based on 28 U.S.C. section 1331 and 28 U.S.C. section 1338.

5. Venue is proper in this district in that defendant resides in the district within the meaning of 23 U.S.C. section 1400 and 28 U.S.C. section 1391(c).

COUNT I
(PATENT INFRINGEMENT)

6. The allegations of paragraphs 1 to 5 of this Complaint are incorporated by reference, as if fully set forth herein.

7. Itron is the sole and exclusive owner of United States Patent No. 5,553,094, entitled "Radio Communication Network for Remote Data Generating Stations," issued on September 3, 1996 ("the '094 patent").

8. On information and belief, CellNet is making, using, selling and/or offering for sale in interstate commerce, in the United States, and in the District of Minnesota products that infringe the '094 patent, and this infringing activity is continuing and expanding.

9. On information and belief, CellNet has had notice of the '094 patent and is continuing to infringe the '094 patent, in violation of 35 U.S.C. section 271.

10. On information and belief, the infringement of the '094 patent by CellNet is willful and deliberate, all to the profit of the defendant and to the damage and injury of Itron, which has been and will continue to be injured irreparably unless said infringement is enjoined by this Court.

11. The wrongful acts of CellNet have caused Itron monetary damages in an amount not yet determined, but believed to be in excess of \$50,000.00.

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DEMAND FOR JUDGMENT

WHEREFORE, Itron demands Judgment as follows:

1. That defendant and all those in active concert or participation with it be enjoined preliminarily, and permanently thereafter, from:
 - a) making, using, selling, or offering to sell the infringing products; and
 - b) engaging in any further infringement of the '094 patent.
2. That defendant be required to pay plaintiff such damages as it has suffered in consequence of defendant's wrongful conduct; that damages resulting from willful patent infringement be trebled pursuant to 35 U.S.C. section 284.
3. That plaintiff be awarded costs and attorneys' fees pursuant to 35 U.S.C. section 285.
4. That plaintiff be awarded pre- and post-judgment interest as provided by law.
5. That plaintiff be awarded such other and further additional relief as the Court deems just and proper.

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DEMAND FOR JURY TRIAL

Plaintiff, Itron, Inc., demands a trial by jury of all issues so triable.

Dated at Minneapolis, Minnesota this 28th day of September, 1996.

DORSEY & WHITNEY P.L.L.P.

By /s/ Paul B. Klaas

Paul B. Klaas (No. 56,327)
Pillsbury Center South
220 South Sixth Street
Minneapolis, Minnesota 55402
Telephone: (612) 340-2817

PATTERSON & KEOUGH, P.A

By /s/ James H. Patterson

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527 Marquette Avenue South
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Attorneys for Plaintiff
Itron, Inc.

Itron files patent infringement suit against CellNet

SPOKANE, Wash.--(BUSINESS WIRE)--Oct. 3, 1996--Itron (NASDAQ:ITRI), a leading provider of automatic meter reading (AMR) services and equipment to the utility industry, announced today that it has filed a patent infringement suit against CellNet Data Systems (NASDAQ:CNDS).

The suit, filed in the U.S. District Court of Minnesota, claims that CellNet's WAN radio system violates Itron's U.S. Patent No. 5,553,094. This patent issued on Sept. 3, 1996.

"Itron recognizes the far-reaching implications of this patent," said Johnny Humphreys, Itron's president and CEO. "CellNet has declined to discuss a licensing agreement with Itron. We chose to file suit to protect our intellectual property rights, and we intend to protect our patent rights aggressively from any infringements by other companies."

Itron serves over 1,300 utilities in more than 40 countries. With headquarters in Spokane, the company has engineering, design, and manufacturing facilities in several U.S. locations and subsidiaries in the United Kingdom, France and Australia. For the 12-month period ending June 30, 1996, Itron earned \$10.4 million on revenues of \$180 million.

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CONTACT: Itron
Mima Scarpelli, 509/891-3565