IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF GEORGIA ATLANTA DIVISION

IRONBURG INVENTIONS LTD.,

Plaintiff,

v.

VALVE CORPORATION,

Defendant.

Civil Action No. 1:15-cv-04219-TWT

DEFENDANT VALVE CORPORATION'S ANSWER, AFFIRMATIVE DEFENSES AND COUNTERCLAIMS TO IRONBURG'S SECOND <u>AMENDED COMPLAINT FOR PATENT INFRINGEMENT</u>

Defendant Valve Corporation ("Valve") files its Answer, Affirmative Defenses, and Counterclaims to Plaintiff Ironburg Inventions Ltd.'s ("Ironburg") Second Amended Complaint for Patent Infringement ("Second Amended Complaint"). Except as expressly admitted below, Valve denies each and every allegation set forth in the Second Amended Complaint. Valve responds to the numbered paragraphs of the Second Amended Complaint and prayer for relief as follows:

THE PARTIES

1. Valve lacks knowledge or information sufficient to form a belief about the allegations in Paragraph 1 and therefore denies them.

2. Valve lacks knowledge or information sufficient to form a belief about the allegations in Paragraph 2 and therefore denies them.

3. Valve's zip code is 98004. Valve admits the remaining allegations in Paragraph 3.

JURISDICTION AND VENUE

4. Valve admits that Ironburg purports to bring an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. § 1 *et seq.* Valve admits this Court has subject matter jurisdiction over meritorious actions for patent infringement generally under 28 U.S.C. §§ 1331 and 1338(a).

5. Valve denies that Ironburg states a meritorious claim of patent infringement against Valve and denies that it has committed any acts of infringement in this District or elsewhere. Valve further denies that venue over Ironburg's patent infringement claims is proper under 28 U.S.C. § 1391(b) and §1400(b). Valve denies that this District is the most convenient venue for adjudicating Ironburg's claims against Valve.

6. Valve admits that Exhibit A to the Second Amended Complaint appears to be an uncertified copy of U.S. Patent No. 8,641,525 ("the '525 Patent"), entitled "CONTROLLER FOR VIDEO GAME CONSOLE." Valve denies the '525 Patent was duly and legally issued. Valve is without knowledge or information sufficient to form a belief regarding the remaining allegations set forth in Paragraph 6 and therefore denies them.

7. Valve admits that Exhibit B to the Second Amended Complaint appears to be an uncertified copy of U.S. Patent No. 9,089,770 ("the '770 Patent"), entitled "CONTROLLER FOR VIDEO GAME CONSOLE." Valve denies the '770 Patent was duly and legally issued. Valve is without knowledge or information sufficient to form a belief regarding the remaining allegations set forth in Paragraph 7 and therefore denies them.

8. Valve admits that Exhibit C to the Second Amended Complaint appears to be an uncertified copy of U.S. Patent No. 9,289,688 ("the '688 Patent"), entitled "GAMES CONTROLLER." Valve denies the '688 Patent was duly and legally issued. Valve is without knowledge or information sufficient to form a belief regarding the remaining allegations set forth in Paragraph 8 and therefore denies them. 9. Valve admits that Exhibit D to the Second Amended Complaint appears to be an uncertified copy of U.S. Patent No. 9,352,229 ("the '229 Patent"), entitled "CONTROLLER FOR A GAMES CONSOLE." Valve denies the '229 Patent was duly and legally issued. Valve is without knowledge or information sufficient to form a belief regarding the remaining allegations set forth in Paragraph 9 and therefore denies them.

10. Valve is without information sufficient to form a belief as to any of the allegations set forth in Paragraph 10 and therefore denies them.

FACTUAL BACKGROUND

11. Valve is without information sufficient to form a belief as to any of the allegations set forth in Paragraph 11 and therefore denies them.

12. Valve admits it is presently offering to sell a product branded as Steam Controller in this District and elsewhere in the United States. Valve denies that the Steam Controller incorporates Plaintiff's patented technology. Valve denies that it has marketed the controller depicted in Exhibit E to Ironburg's Second Amended Complaint since at least March 2014. Valve denies the remaining allegations in Paragraph 12.

13. Valve admits that each Patent-in-Suit has one or more claims directed to a gaming controller with one or more controls located on the back of the

controller, as those terms are described in the specification of each of the Patentsin-Suit.

14. Valve admits that Cynthia Parks, an attorney purporting to represent both Scuf Gaming ("Scuf") and Ironburg, sent a letter to Gabe Newell, the CEO of Valve, dated March 7, 2014, entitled "Re: Infringement of U.S. Patent Nos. 8,641,525 and D667,892," which states in part that "Ironburg Inventions own patents and pending patent applications directed to gaming controllers, to which Scuf holds exclusive rights in the United States. It has come to Scuf's attention through multiple sources that Valve Corporation is marketing certain controller designs that incorporate features that are the subject of at least two Scuf patents." Valve also admits that the March 7, 2014 letter recites the text of Claims 1 and 20 of the '525 Patent. Valve denies the remaining allegations in Paragraph 14.

15. Valve admits that after Ironburg filed its Original Complaint in this lawsuit [D.I. 1] alleging infringement of the '525 and '770 Patents, Robert D. Becker, an attorney purporting to represent Ironburg, sent a letter to Karl Quackenbush, General Counsel of Valve, dated December 3, 2015. The letter states, in part, that "Valve Corporation is marketing certain game control products, including the Steam Controller, that incorporate features that are the subject of multiple patents owned by Ironburg, including [the '525 and '770 Patents]." Mr.

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