The Honorable Tana Lin

UNITED STATES DISTRICT COURT

FOR THE WESTERN DISTRICT OF WASHINGTON

IMMERSION CORPORATION, Plaintiff, v. VALVE CORPORATION, Defendant.	Case No. 2:23-cv-00712-TL **DEFENDANT VALVE CORPORATION'S NONINFRINGEMENT AND INVALIDITY CONTENTIONS**

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NON-INFRINGEMENT AND INVALIDITY CONTENTIONS

Pursuant to the Order Setting Jury Trial Date and Related Dates (ECF No. 46) and Local Patent Rule 121, Valve Corporation ("Valve") hereby serves these Non-Infringement and Invalidity Contentions ("Contentions").

I. PRELIMINARY STATEMENT AND RESERVATIONS OF RIGHTS

In its Updated Preliminary Infringements dated October 30, 2023, Immersion Corporation ("Immersion") purports to allege infringement of the following asserted patents and asserted claims (with independent claims identified in **bold**):

- U.S. Patent No. 7,336,260 ('260 Patent): Claims **1**, 2, 5, 6, 7;
- U.S. Patent No. 8,749,507 ('507 Patent): Claims **1**-8;
- U.S. Patent No. 9,430,042 ('042 Patent): Claims **1**, 2, 3, 7, 8, **9**, **10**, 11, 13, 14, **15**, 16, 18, 19;
- U.S. Patent No. 9,116,546 ('546 Patent): Claims **1**, 2, 3, **5**, 6, 7;
- U.S. Patent No. 10,627,907 ('907 Patent): Claims **1**-7, **8**-14, **15**-20;
- U.S. Patent No. 10,665,067 ('067 Patent): Claims **1**, 2, 3, 5, 6, 7, 8, **11**, 12, 15, 17-**21**;
- U.S. Patent No. 11,175,738 ('738 Patent): Claims **1**, 2, 3, 6, 14, **15**, **19**;

As set forth below, the accused instrumentalities, to the extent they are discernable, do not infringe any asserted claim, and each asserted claim is invalid.

These Contentions are based on information currently available to Valve. Valve's investigation and analysis of prior art is, however, ongoing. Furthermore, Immersion's Infringement Contentions are vague and fail to sufficiently identify the Accused Instrumentalities. Indeed, Immersion provides two classifications for the "Accused Instrumentalities": the "Accused Handheld Instrumentalities" and the "Accused VR Instrumentalities," the definitions for which mention the Steam Deck and Valve Index, then also mention SteamVR and Steam Input, and also "game engines" including at least Steam VR and Steam Input (which are not game engines). The definitions also mention "game titles." The

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definitions also refer to "corresponding software," which is not defined, but at least includes SteamVR and Steam. Each defined term also includes "game titles that provide examples of the Asserted Claims." Then, for each patent, Immersion references one or both defined terms, and refers to "certain game titles that provide *non-limiting* examples of infringement" that purportedly are in "the corresponding claim chart" for each patent. This vague and at times circularly defined statement fails to identify what is being accused, for each asserted claim, as required by Local Patent Rule 120(b). Valve reserves the right to seek appropriate relief, including but not limited to striking any infringement theories or accused instrumentalities not adequately disclosed. Valve also reserves the right to supplement or modify these Contentions based on continued discovery, evaluation of the scope and content of the prior art, and/or to the extent that Immersion is allowed to change its asserted claims or contentions.

In addition, because the Court has not yet issued a claim construction ruling, Valve cannot provide complete and final invalidity contentions at this time. In the interim, Valve's Contentions may be based in part on the claim interpretations apparently underlying Immersion's Preliminary Infringement Contentions ("PICs"), to the extent that they are discernable. These Contentions are not intended to, and do not necessarily, reflect Valve's positions as to the proper construction of the asserted claims. To the extent that the following Contentions reflect an interpretation consistent with the interpretation adopted by Immersion's PICs, no inference is intended nor should any be drawn that Valve agrees with those claim constructions, and Valve expressly reserves its right to contest such constructions. Further, no inference is intended nor should any be drawn that the claim limitations satisfy 35 U.S.C. § 112, and Valve reserves the right to contend otherwise.

Immersion "bears the burden of establishing that its claimed invention is entitled to an earlier priority date than an asserted prior art reference." *In re Magnum Oil Tools Int'l, Ltd.*, 829 F.3d 1364, 1376 (Fed. Cir. 2016). "To obtain the benefit of the filing date of a parent application, the claims of the later-filed application must be supported by the written description in the parent

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'in sufficient detail that one skilled in the art can clearly conclude that the inventor invented the claimed invention as of the filing date sought.'" *Anascape, Ltd. v. Nintendo of Am., Inc.*, 601 F.3d 1333, 1335 (Fed. Cir. 2010) (quoting *Lockwood v. Am. Airlines, Inc.*, 107 F.3d 1565, 1572 (Fed. Cir. 1997)).Valve reserves the right to challenge any priority date and any alleged date of conception and to amend these contentions upon the Court's claim construction order, Immersion's identification of asserted priority date(s), the Court's findings concerning the priority date(s) of the asserted claims, information learned through discovery, or otherwise.

II. NON-INFRINGEMENT

Immersion's PICs fail to demonstrate a plausible basis on which Immersion can carry its burden of proof to show that the accused products that Immersion has identified meet each of the asserted claims. As an initial matter, Immersion's PICs fail sufficiently to identify each "Accused Device." Immersion lists two classifications "Accused Handheld Instrumentalities" and "Accused VR Instrumentalities," the definitions for both of which refer to undefined "corresponding software" and game titles "that provide examples of infringement of the Asserted Claims." (PICs at 2-3.) Immersion then states that it has identified "certain game titles that provide *non-limiting* examples of infringement," that purportedly are in "the corresponding claim chart" for each patent. (*E.g.*, PICs at 3 (emphasis added).) The "corresponding claim chart," however, does not necessarily provide contentions for each game title with respect to each and every element of the asserted claims. For example, the '260 patent claim chart mentions *Half-Life: Alyx* and *Aperture Hand Lab,* but does not provide contentions related to those games for limitations [1.b] or [1.d]. Furthermore, as to various elements of each claim, Immersion's contentions fail to show a plausible basis on which the claim element can be satisfied for reasons independent of the failure to identify the Accused Devices. Pursuant to Local Patent Rule 121(a), the attached Exhibits AA, BB, CC, DD, EE, FF, and GG provide further detail, on a claim-by-claim basis, of Valve's response to Immersion's PICs.

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Immersion has not properly asserted infringement under section 271(f). 35 U.S.C. § 271(f). First, the Complaint lacks any well-pleaded facts relevant to section 271(f). The PICs, meanwhile, assert only conclusions. Immersion fails to identify, for example, what components Valve allegedly supplied from the United States, the purported manner in which they were supplied, or what steps Valve purportedly took to actively induce their combination abroad. Valve denies that Immersion has met its obligations under Local Patent Rule 120 to plead or disclose infringement under section 271(f).

Immersion has not properly asserted a claim for indirect infringement under section 271(b). A disclosure of a claim of indirect infringement requires identification of any direct infringement. L.P.R. 120(d). Immersion asserts that Valve indirectly infringes "to the extent that Valve's users are direct infringers." (PICs at 5.) That does not disclose any act of direct infringement—it merely asserts that *if* Valve users directly infringe, then Valve purportedly indirectly infringes. Moreover, the contentions fail to offer more than conclusory assertions that Valve induces the unidentified direct infringers. Instead, it offers only conclusions. For example, it identifies no instances in which Valve has allegedly encouraged third parties to develop features that allegedly practice each and every limitation of any asserted claim.

Immersion has not preserved a claim of infringement under the doctrine of equivalents, other than for elements [1.d], [1.f], and [15.f] of the '738 patent. Other than claims 1 and 15 of the '738 patent, Immersion's cover pleading does not identify any claims as infringed under the doctrine of equivalents. The exhibits to the PICs conclusorily refer to the possibility of infringement under the doctrine of equivalents, but Local Patent Rule 120(e) requires an element-by-element disclosure. With respect to claims 1 and 15 of the '738 patent, Immersion has provided element-by-element contentions in its claim charts under the doctrine of equivalents only for elements [1.d], [1.f] and [15.f], and thus has not preserved a claim that any other limitations are met under the doctrine of equivalents.

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Immersion has not satisfied the requirement that Immersion identify "specifically where each element of each Asserted Claim is found within each Accused Device." L.P.R. 120(c). Valve broadly made source code available to Immersion for inspection, and thus to the extent that Immersion contends that elements of the asserted claims are found in source code, it needed to identify specifically where, within the source code, such elements are found. But other than with respect to *Moondust* source code, Immersion identifies source code only with broad citations to entire source code files. The identification of only broad source code files fails to meet Local Patent Rule 120(c)'s specificity requirement.

Discovery is ongoing, claim construction is not yet completed; therefore, Valve reserves the right to amend and/or supplement these non-infringement contentions.

III. PRIOR-ART-BASED INVALIDITY

A. Identification of Prior Art

Below, Valve provides a consolidated list identifying prior art that anticipates and/or renders obvious one or more claims of the asserted patents under at least one of 35 U.S.C. §§ 102(a), (b), (e), or (g) and/or 35 U.S.C. § 103, including relevant dates where presently known. In these Contentions, including the claim charts, any citation to a printed publication[1] or other reference describing a prior art system should also be construed to include a reference to the prior art system itself. Each listed document or item became prior art at least as early as the dates set forth herein. Valve reserves the right to rely upon any systems, products, or prior inventions related to any of the references identified in these Contentions.

Patent or Application Number	Date of Filing, Issuance, and/or Publication
U.S. Patent Application Publication No. 2001/0008849 ("Komata")	July 19, 2001
International Patent Application Publication No. WO 99/66997 ("Rosenberg '997")	December 29, 1999

[1] Because discovery and factual development are ongoing, Valve is continuing to develop evidence as to whether the non-patent publications cited herein are "printed publications" within the meaning of 35 U.S.C. § 102(a). A reference to a non-patent reference herein is not an admission that such reference is a printed publication under § 102(a).

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Japanese Unexamined Patent Application Publication No. 11-212725 ("Tsuji")	August 6, 1999
U.S. Patent No. 6,590,568 ("Astala")	July 8, 2003
U.S. Patent Application Publication No. 2002/0033795 ("Shahoian")	March 21, 2002
U.S. Patent No. 6,791,536 ("Keely")	September 14, 2004
U.S. Patent No. 7,256,773 ("Kolmykov-Zotov")	August 14, 2007
U.S. Patent Application Publication No. 2016/0274724 ("Chang")	September 22, 2016
U.S. Patent No. 5,734,373 ("Rosenberg '373")	March 31, 1998
U.S. Patent No. 6,730,863 ("Gerpheide")	May 4, 2004
U.S. Patent No. 6,429,846 ("Rosenberg '846")	August 6, 2002
International Patent Application Publication No. WO 02/102616 ("Wang")	December 27, 2002
U.S. Patent No. 6,819,990 ("Ichinose")	November 16, 2004
U.S. Patent No. 6,686,911 ("Levin '911")	February 3, 2004
U.S. Patent Application Publication No. 2004/0257339 ("Takahashi")	December 23, 2004
U.S. Patent Application Publication No. 2007/0106457 ("Rosenberg '457")	May 10, 2007
U.S. Patent Application Publication No. 2002/0120188 ("Brock")	August 29, 2002
U.S. Patent Application Publication No. 2007/0236450 ("Colgate")	October 11, 2007
U.S. Patent Application Publication No. 2006/0207978 ("Rizun")	September 21, 2006
U.S. Patent Application Publication No. 2004/0106916 ("Quaid")	June 3, 2004
U.S. Patent Application Publication No. 2012/0249474 ("Pratt")	October 4, 2012
U.S. Patent Application Publication No. 2012/0143182 ("Ullrich")	June 7, 2012
U.S. Patent Application Publication No. 2011/0046659 ("Ramstein '659")	February 24, 2011
U.S. Patent Application Publication No. 2013/0147610 ("Grant")	June 13, 2013
U.S. Patent Application Publication No. 2004/0032395 ("Goldenberg")	February 19, 2004
U.S. Patent Application Publication No. 2010/0141606 ("Bae")	June 10, 2010
U.S. Patent No. 6,614,420 ("Han")	September 2, 2003
U.S. Patent Application Publication No. 2007/0152988 ("Levin '988")	July 5, 2007
U.S. Patent No. 6,203,432 ("Roberts")	March 20, 2001
U.S. Patent Application Publication No. 2014/0347298 ("Park")	November 27, 2014
U.S. Patent Application Publication No. 2008/0055244 ("Cruz-Hernandez")	March 6, 2008
U.S. Patent No. 8,226,484 ("Bryant")	July 24, 2012
U.S. Patent No. 9,582,077 ("Rosenberg '077")	February 28, 2017
U.S. Patent Application Publication No. 2017/0108930 ("Banerjee")	April 20, 2017
U.S. Patent Application Publication No. 2012/0045742 ("Meglan")	February 23, 2012
U.S. Patent Application Publication No. 2017/0354864 ("Rogers")	December 14, 2017
U.S. Patent No. 8,531,319 ("Ku")	September 10, 2013
U.S. Patent Application Publication No. 2013/0147728 ("Lee")	June 13, 2013
U.S. Patent Application Publication No. 2018/0356891 ("Murakami")	December 13, 2018
Japanese Patent Application No. 2015-75995 ("Ono")	April 20, 2015

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U.S. Patent Application Publication No. 2016/0357296 ("Picciotto")	December 8, 2016
U.S. Patent Application Publication No. 2018/0067545 ("Provancher")	March 8, 2018
U.S. Patent Application Publication No. 2015/0061703 ("Jiang")	March 5, 2015
U.S. Patent Application Publication No. 2014/0139329 ("Ramstein '329")	May 22, 2014
U.S. Patent Application Publication No. 2008/0024459 ("Poupyrev")	January 31, 2008
U.S. Patent No. 8,970,513 ("Kwon")	March 3, 2015

Prior Art References	**Date**
Tang et al., "A Multilevel Input System with Force-Sensitive Elements," *International Journal of Human-Computer Studies*, Vol. 54, pp. 495-507 ("Tang")	February 9, 2001
Oboe et al., "Multi-Instrument Virtual Keyboard — The MIKEY Project," *Proceedings of the 2002 Conference on New Instruments for Musical Expression (NIME-02)*, (May 24-26, 2002) ("Oboe")	May 24-26, 2002
Sony PlayStation 2, Gran Turismo 3: A-spec, Namco Ridge Racer V (collectively referred to as the "PS2 Games")	2000-2001
Synaptics TouchPad	January 1997
BMW iDrive System that includes a Haptic Commander provided by Alps Alpine ("BMW iDrive")	2001
Apple iPod with Click Wheel (Fourth Generation iPod) ("iPod")	July 19, 2004
Immersion Studio® for Automotive (ISA) and the Immersion API (collectively referred to as the "ISA System")	January 8, 2003
HALO (Haptic Assisted Locating of Obstacles) Project ("HALO")	2010
U.S. Naval Aerospace Medical Research Laboratory's Tactile Situation Awareness System ("TSAS")	March 2004
Rupert, "An Instrumentation Solution for Reducing Spatial Disorientation Mishaps," *IEEE Engineering in Medicine and Biology* (Mar./Apr. 2000), pp. 71-80 ("Rupert")	March 2000
Haptic Radar	July 2006
Nintendo Wii	November 2006
Microsoft Corporation's Sidewinder Dual Strike game controller ("Dual Strike")	1999
Saitek Cyborg Rumble Pad ("Cyborg")	2008
Xpadder	2010
Pinnacle Game Profiler ("Pinnacle")	2013
HaptX Glove System ("HaptX")	March 1, 2018
Sony PlayStation VR Aim System ("PS VR Aim System")	May 16, 2017
Tactical Haptics Reactive Grip™ Controller ("Tactical Haptics System")	June 15, 2018
PlayStation DualShock controllers	1997-1998
PlayStation DualShock 2 controllers	2000

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Nintendo64 Rumble Pak	April 1997
On Semiconductor's TOUCHLRACOMBOGEVB Evaluation Board ("Eval Board")	December 13, 2016

B. Anticipation

Valve contends that the following prior art anticipates the asserted claims of the patents-in-suit under 35 U.S.C. § 102:

Patent-in-Suit	Prior Art
'260 patent	Komata, Rosenberg '997, Tang, Tsuji, Oboe, PS2 Games
'507 patent	Astala, Shahoian, Keely, Kolmykov-Zotov, Synaptics TouchPad
'042 patent	Rosenberg '846, Wang, Ichinose, Levin '911, Takahashi, BMW iDrive, iPod, Immersion ISA
'546 patent	Rosenberg '457, Brock, HALO, TSAS, Rupert, Colgate, Rizun, Quaid, Haptic Radar, Nintendo Wii
'907 patent	Grant, Goldenberg, Bae, Han, Levin '988, Dual Strike, Cyborg, Xpadder, Roberts, Pinnacle
'067 patent	Banerjee, Meglan, Rogers, HaptX, PS VR Aim, Tactical Haptics System
'738 patent	Pratt, Ku, Lee, Murakami, Ono, Picciotto, Provancher, Eval Board

Exhibits A-1–A-6, B-1–B-5, C-1–C-8, D-1–D-10, E-1–E-10, F-1–F-6, and G-1–G-8 identify how the anticipatory prior art discloses each limitation of each asserted claim. The charts are exemplary only and representative of the content and teaching of the prior art; they should be understood in the context of each prior art reference as a whole as it would be understood by a person of ordinary skill in the art. Valve reserves the right to rely on other disclosures, particularly if Immersion contests the scope and content of the disclosures identified in the claim charts and/or the knowledge of one of ordinary skill in the art.

Valve's invalidity theories may depend on the Court's claim constructions. In addition, Valve's Contentions may also reflect implicit positions advanced by Immersion regarding the interpretation of any asserted claim or particular limitation. For example, Valve contends that the asserted claims of the '067 patent are, on their face and as properly construed in view of the intrinsic evidence, limited to implementations of augmented reality and do not read on virtual reality systems. Immersion nonetheless appears to take the position, through its PICs and apparent interpretation of the asserted claims, that the asserted claims extend to virtual reality

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implementations. Valve disputes Immersion's improper characterization of the claims, but to the extent that interpretation is accepted, then Valve contends that the asserted claims are invalid in view of virtual reality prior art disclosed herein. The contentions disclosed herein do not constitute and should not be taken as any endorsement, acquiescence, or acceptance by Valve of any interpretation advanced by Immersion. Valve reserves the right to amend these Contentions pending further developments in this case, including as to claim construction and any amendments to Immersion's Infringement Contentions.

C. Obviousness

Valve contends that the following prior art renders obvious the asserted claims of the patents-in-suit under 35 U.S.C. § 103:

Patent-in-Suit	Combinations
'260 patent	Komata, Rosenberg '997, Tang, Tsuji, Oboe, PS2 Games, alone or in combination with one or more of each other and/or any other prior art referenced in Exhibit H for any limitation of the '260 patent
'507 patent	Astala, Shahoian, Keely, Kolmykov-Zotov, Synaptics TouchPad, alone or in combination with one or more of each other and/or Rosenberg '373, Gerpheide, Chang and/or any other prior art referenced in Exhibit H for any limitation of the '507 patent
'042 patent	Rosenberg '846, Wang, Ichinose, Levin '911, Takahashi, BMW iDrive, iPod, Immersion ISA, alone or in combination with one or more of each other and/or any other prior art referenced in Exhibit H for any limitation of the '042 patent
'546 patent	Rosenberg '457, Brock, HALO, TSAS, Rupert, Colgate, Rizun, Quaid, Haptic Radar, Nintendo Wii, alone or in combination with one or more of each other and/or Pratt, Ullrich, Ramstein '659, and/or any other prior art referenced in Exhibit H for any limitation of the '546 patent
'907 patent	Grant, Goldenberg, Bae, Han, Levin '988, Dual Strike, Cyborg, Xpadder, Roberts, Pinnacle, alone or in combination with one or more of each other and/or Park, Cruz-Hernandez, Komata, Bryant, Rosenberg '077, PlayStation DualShock or DualShock 2 controllers, Nintendo64 Rumble Pak and/or any other prior art referenced in Exhibit H for any limitation of the '907 patent
'067 patent	Banerjee, Meglan, Rogers, HaptX, PS VR Aim, Tactical Haptics System, alone or in combination with one or more of each other and/or any other prior art referenced in Exhibit H for any limitation of the '067 patent
'738 patent	Pratt, Ku, Lee, Murakami, Ono, Picciotto, Provancher, Eval Board, alone or in combination with one or more of each other and/or Jiang, Ramstein '329,

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	Poupyrev, Kwon, Ullrich and/or any other prior art referenced in Exhibit H for any limitation of the ’738 patent

Even if not identically disclosed, a patent claim may be invalid if the differences between the claimed invention and the prior art are such that the claimed invention as a whole would have been obvious before the effective filing date of the claimed invention to a person having ordinary skill in the art to which the claimed invention pertains. The legal determination of obviousness is based on underlying factual questions set forth in *Graham v. John Deere Co. of Kansas City*:

1. the scope and content of the prior art;
2. differences between the prior art and the claims at issue;
3. the level of ordinary skill in the pertinent art; and
4. evaluation of any relevant secondary considerations.

383 U.S. 1, 17 (1966).

As the U.S. Supreme Court held in *KSR International Co. v. Teleflex Inc.*, “[t]he combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.” 550 U.S. 398, 416 (2007). The Supreme Court further held that, “[w]hen a work is available in one field of endeavor, design incentives and other market forces can prompt variations of it, either in the same field or a different one. If a person of ordinary skill can implement a predictable variation, § 103 likely bars its patentability. For the same reason, if a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill.” *Id.* at 417.

Moreover, the Supreme Court held that “in many cases a person of ordinary skill will be able to fit the teachings of multiple patents together like pieces of a puzzle.” *Id*. at 420. Indeed, the Supreme Court held that it is sufficient that a combination of elements was “obvious to try” holding that, “[w]hen there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions, a person of ordinary skill has good reason to pursue the known options within his or her technical grasp. If this leads to the anticipated

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success, it is likely the product not of innovation but of ordinary skill and common sense." *Id.* at 421. "In that instance the fact that a combination was obvious to try might show that it was obvious under § 103." *Id.* "Rigid preventative rules that deny factfinders recourse to common sense, however, are neither necessary under our case law nor consistent with it." *Id.*

Finally, the Supreme Court recognized that "[g]ranting patent protection to advances that would occur in the ordinary course without real innovation retards progress and may, in the case of patents combining previously known elements, deprive prior inventions of their value or utility." *Id.* at 419.

For the asserted patents, each group of the above-identified prior art items is directed to the same or similar fields of endeavor. Accordingly, one of ordinary skill in the art would have recognized that the results of the combinations were predictable, and would have been clearly motivated to modify and combine the prior art items identified above to arrive at the alleged inventions of the claims of the asserted patents. Exhibit H includes seven charts, one for each asserted patent, identifying on an element-by-element basis the combinations of prior art references that would have rendered the asserted claims obvious. To the extent Plaintiff contends any reference Valve has identified as anticipatory does not anticipate the Asserted Claims, it would have been obvious to modify the reference based on the knowledge of a person of ordinary skill in the art, or to combine or modify the reference with concepts from other prior art as identified in Exhibit H. For example, it would have been obvious to combine or modify any of Komata, Rosenberg '997, Tang, Tsuji, Oboe, and/or PS2 Games to establish instructions causing a processor to "detect a first pressure on a first input device," as required by limitation [1.a] of the '260 patent. Exhibit H at 1.

Exhibits A-1–A-6, B-1–B-5, C-1–C-8, D-1–D-10, E-1–E-10, F-1–F-6, G-1–G-8, and H identify how the prior art renders each limitation of each asserted claim obvious. The charts are exemplary only and representative of the content and teaching of the prior art; they should be understood in the context of each prior art reference as a whole as it would be understood by a

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person of ordinary skill in the art. Valve reserves the right to rely on other disclosures, particularly if Immersion contests the scope and content of the disclosures identified in the claim charts and/or the knowledge of one of ordinary skill in the art.

At least the following rationales support a finding of obviousness based on the combinations set forth in detail below:

(A) Combining prior art elements according to known methods to yield predictable results;

(B) Simple substitution of one known element for another to obtain predictable results;

(C) Use of known technique to improve similar devices (methods, or products) in the same way;

(D) Applying a known technique to a known device (method, or product) ready for improvement to yield predictable results;

(E) "Obvious to try"—choosing from a finite number of identified, predictable solutions, with a reasonable expectation of success;

(F) Known work in one field of endeavor may prompt variations of it for use in either the same field or a different one based on design incentives or other market forces if the variations would have been predictable to one of ordinary skill in the art; and

(G) Some teaching, suggestion, or motivation in the prior art that would have led one of ordinary skill to modify the prior art reference or to combine prior art reference teachings to arrive at the claimed invention.

Evidence of contemporaneous invention may also support a ruling that a claimed invention was obvious to those of skill in the art. *See, e.g., Concrete Appliances Co. v. Gomery*, 269 U.S. 177, 185 (1925); *Geo M. Martin Co. v. Alliance Machine Sys. Int'l LLC*, 618 F.3d 1294, 1305–06 (Fed. Cir. 2010). To the extent that any of the references in the claim charts are not found to anticipate the asserted claims, Valve contends that those claims are invalid under 35 U.S.C. § 103.

To the extent relevant to any issues related to Local Patent Rule 121, Valve further incorporates by reference its petitions for *inter partes* review filed in connection with the asserted patents, IPR2024-00477 ('260 patent, filed Jan. 19, 2024); IPR2024-00478 ('042 patent,

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filed Jan. 19, 2024); IPR2024-00508 ('546 patent, filed Jan. 30, 2024), and any subsequent petitions for *inter partes* review it files in connection with the asserted patents. Valve also incorporates by reference each and every prior art reference of record in the prosecution of the asserted patents and related applications, as well as the prior art discussed in the specification of each of these patents and patent applications. Should Immersion contest the applicability of the foregoing references or the knowledge of one skilled in the art to render all of the asserted claims obvious, Valve reserves the right to present additional arguments and supporting evidence.

IV. OTHER DEFENSES

Valve's invalidity contentions under Local Rule 121 need only disclose "prior art that allegedly anticipates each Asserted Claim or renders it obvious." L.P.R. 121(b). Valve also discloses the following additional defenses. By so doing, Valve does not suggest that the following disclosures are required by Local Patent Rule 121, does not waive any other additional defense, and expressly reserves the right to assert further additional defenses.

A. Non-Patentable Subject Matter Under 35 U.S.C. § 101

Valve's asserted bases for invalidity under 35 U.S.C. § 101 are based on Valve's investigation thus far. Valve reserves its right to amend or otherwise modify its asserted bases for invalidity under 35 U.S.C. § 101 based on its review of additional documents and evidence, including, without limitation, additional information concerning the state of art and level of one of ordinary skill in the art at the relevant time. Further, Valve reserves the right to assert additional arguments of invalidity under 35 U.S.C. § 101 based on the claim construction process, Immersion's proposed claim constructions, any supplement to Immersion's infringement contentions, Immersion's expert reports, or other positions taken by Immersion. A more detailed basis for § 101 defenses is set forth in Valve's Memorandum in Support of its Motion to Dismiss, *see* ECF No. 37, and will be set forth in Valve's expert reports and/or in pleadings.

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The asserted claims are not patent-eligible under 35 U.S.C. § 101 because they claim abstract ideas and/or do not cover statutory subject matter. In particular, the asserted claims of the ’260 patent cover a transitory computer-readable medium that isn’t statutory subject matter. *In re Nuijten*, 500 F.3d 1346, 1353 (Fed. Cir. 2007) (“transitory forms of signal transmission” aren’t patent eligible); *Mentor Graphics Corp. v. EVE-USA, Inc.,* 851 F.3d 1275, 1294 (Fed. Cir. 2017). Further, the asserted ’260 claims are generally directed to an abstract concept, namely, detecting pressures and providing tactile sensations in response. The asserted claims of the ’042 patent claim the abstract idea of generating virtual “detents” using haptic effects. The asserted claims of the ’738 patent claim the abstract idea of detecting proximity and touch information and generating a haptic response based on that information. The asserted ’067 claims are directed at the abstract idea of determining and transmitting “modified visual” and haptic effects based on sensor data. The asserted ’546 claims are directed at the abstract idea of collecting information (including “extra-sensory information”) and generating haptic effects that change as the inputs change.

But receiving information and outputting a haptic effect are abstract ideas. *See Elec. Power Grp., LLC v. Alstom S.A.,* 830 F.3d 1350, 1353 (Fed. Cir. 2016) (“collecting information” is “within the realm of abstract ideas,” even when the information is “limited to particular content”). Indeed, a district court in the Northern District of California found another of Immersion’s haptics patents to be patent ineligible, and thus invalid, on a motion to dismiss. *See Immersion Corp. v. Fitbit, Inc.,* 313 F. Supp. 3d 1005, 1027-31 (N.D. Cal. 2018). Emulating functionality (here, a mechanical detent) is also an abstract idea. *see also*. *See KCG Techs., LLC v. CarMax Auto Superstores, Inc.,* 424 F. Supp. 3d 196, 201 (D. Mass. 2019) (emulating handheld device on a screen is an abstract idea), *aff’d,* 826 F. App’x 928 (Fed. Cir. 2020); *KomBea Corp. v. Noguar L.C.,* 73 F. Supp. 3d 1348, 1356-57 (D. Utah 2014) (mimicking real conversation using a prerecorded script is an abstract idea), *aff’d,* 656 F. App’x 1022, 1353-55 (Fed. Cir. 2016; *see also Papst Licensing GmbH v. Xilinx Inc.,* 193 F. Supp. 3d 1069, 1084-85

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(N.D. Cal. 2016) (claimed "simulator" implemented with generic components is an abstract idea), *aff'd,* 684 F. App'x 971 (Fed. Cir. 2017).

Furthermore, the patents merely recite implementing this abstract idea on some type of hardware device, without any attempt to offer an inventive insight or improvement. The recitation of a generic computer implementation or a particular technological environment cannot transform an abstract idea into patent-eligible subject matter. *See, e.g., Alice Corp. v. CLS Bank Int'l*, 573 U.S. 208, 217 (2014); *BSG Tech LLC v. Buyseasons, Inc*., 899 F.3d 1281, 1290 (Fed. Cir. 2018). Accordingly, the asserted claims of the patents-in-suit are invalid because they're ineligible.

The asserted claims of the '260 patent are also invalid under the doctrine of obviousness-type double patenting ("ODP"). ODP is based on 35 U.S.C. § 101. *In re Cellect, LLC,* 81 F.4th 1216, 1226 (Fed. Cir. 2023), *reh'g en banc denied* (Fed. Cir. Jan. 19, 2024). Section 101 states that an inventor may obtain "a" patent for an invention, and ODP "is intended to prevent a patentee from obtaining a time-wise extension of patent for the same invention or an obvious modification thereof" and prevents an inventor from claiming a second patent for claims that are not patentably distinct from the claims of a first patent. *In re Lonardo,* 119 F.3d 960, 965 (Fed. Cir. 1997). United States Patent Nos. 8,773,356 (the "'356 patent") and 7,808,488 (the "'488 patent") both claim priority to the application that led to issuance of the '260 patent. The '356 patent expired on November 1, 2022; and the '488 patent expired on January 6, 2024. The '356 patent and the '488 patent thus each constitute an earlier patent for the purpose of the ODP doctrine. *In re Cellect,* 81 F.4th at 1226-28. ODP applies to claims in a later patent that "would have been obvious from the subject matter of the claims in the first patent, in light of the prior art." *In re Longi,* 759 F.2d 887, 893 (Fed. Cir. 1985). The asserted claims of the '260 patent are invalid under the ODP doctrine at least as disclosed in Exhibits A-7 ('488 patent) and A-8 ('356 patent).

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B. Prior Commercial Use

Section 273 provides for a defense to infringement based on prior commercial uses. 35 U.S.C. § 273(a). Valve demonstrated a "Steam Controller" at least as early as 2014, at the Consumer Electronics Show and the Game Developers Conference. *See, e.g.,* https://www.youtube.com/watch?v=PCR8VO41IW0; https://www.youtube.com/watch?v=fei1Fh4owDA. Valve also demonstrated a version of its Valve Index controllers at least as early as October 2016, at "Steam Dev Days," for use with SteamVR-compatible systems that included base stations and a headset. *See, e.g.,* https://www.tomshardware.com/news/vive-vr-controller-prototype-steamvr,32858.html; https://www.youtube.com/shorts/QYcKZZBiGts; https://www.youtube.com/shorts/aC1pEyHjQgc; https://www.youtube.com/watch?v=h6EUTAuk4wk. Immersion's causes of action for infringement are limited in whole or part by Valve's prior commercial use of versions of its controllers and/or compatible hardware and software.

Valve reserves its right to amend or otherwise modify its asserted bases for a prior commercial use defense under 35 U.S.C. § 273 based on its review of additional documents and evidence, including, without limitation, based on the claim construction process, Immersion's proposed claim constructions, any supplement to Immersion's infringement contentions, Immersion's expert reports, or other positions taken by Immersion.

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