

The Honorable John C. Coughenour

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UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

IN RE: VALVE ANTITRUST LITIGATION

No. 2:21-cv-00563-JCC

**DEFENDANT VALVE  
CORPORATION’S ANSWER AND  
AFFIRMATIVE DEFENSES TO  
CONSOLIDATED AMENDED  
CLASS ACTION COMPLAINT**

**JURY TRIAL DEMANDED**

Defendant, Valve Corporation (“Valve”) hereby answers Plaintiffs’ Consolidated Amended Class Action Complaint (the “Complaint”) as follows. Each allegation not specifically admitted herein is denied. To the extent any headings, tables, figures, or any unnumbered paragraphs in the Complaint contain any allegations, Valve denies those allegations. Valve reserves the right to amend this answer and affirmative defenses as this case proceeds.

**OVERVIEW OF THE ACTION**

1. Valve admits that millions of Americans play video games. Valve lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 1, and therefore denies them. Valve specifically denies that 75% of \$30 billion in annual revenue flows through Valve.

1           2.       Paragraph 2 contains legal conclusions to which no response is required. To the  
2 extent a response is required, Valve admits that Steam enables gamers to obtain access to games  
3 and other gamers and services. Valve denies the remaining allegations in paragraph 2.

4           3.       Valve denies the allegations in paragraph 3 and footnote 1.

5           4.       Paragraph 4 contains legal conclusions to which no response is required. To the  
6 extent a response is required, Valve denies the allegations in paragraph 4.

7           5.       Paragraph 5 contains legal conclusions to which no response is required. To the  
8 extent a response is required, Valve denies the allegations in paragraph 5.

9           6.       Valve admits that it began operating Steam at a time when most game sellers were  
10 brick-and-mortar distributors. Valve lacks knowledge or information sufficient to form a belief  
11 as to the truth of the remaining allegations in paragraph 6, and therefore denies them.

12          7.       Valve lacks knowledge or information sufficient to form a belief as to the truth of  
13 the allegations in paragraph 7, and therefore denies them.

14          8.       Valve denies all allegations in paragraph 8.

15          9.       Valve admits that the quoted words appear in the cited website post, and  
16 respectfully refers the Court to the website post for a complete statement of its contents. The  
17 remainder of paragraph 9 contains legal conclusions to which no response is required. To the  
18 extent a response is required, Valve denies the remaining allegations in paragraph 9.

19          10.      Valve denies all allegations in paragraph 10.

20          11.      Valve denies all allegations in paragraph 11.

21          12.      Valve denies all allegations in paragraph 12.

22          13.      Paragraph 13 contains legal conclusions to which no response is required. To the  
23 extent a response is required, Valve denies the allegations in paragraph 13.

24          14.      Valve denies all allegations in paragraph 14 and footnote 3.

25          15.      Valve admits that Steam Keys are alphanumeric codes that provide access to  
26 games. Valve further admits that Steam Keys are in some instances sold in other stores,

1 distributed to beta testers of games before launch, or provided to media interested in reviewing a  
2 game. Valve denies the remaining allegations in paragraph 15.

3 16. Valve admits that Steam Keys are sometimes sold through retail venues other than  
4 Steam, and admits the other allegations in paragraph 16.

5 17. Valve admits that it may restrict or cut off access to Steam Keys for violation of  
6 Steam's rules. Valve denies all remaining allegations in paragraph 17.

7 18. Valve denies all allegations in paragraph 18.

8 19. Valve denies all allegations in paragraph 19.

9 20. Valve denies that "publishers" are "unjustifiably being banned from Steam."  
10 Valve lacks knowledge or information sufficient to form a belief as to the truth of the remaining  
11 allegations in paragraph 20, and therefore denies them.

12 21. Paragraph 21 contains legal conclusions to which no response is required. To the  
13 extent a response is required, Valve denies the allegations in paragraph 21. Valve specifically  
14 denies the existence of an "anticompetitive scheme" and the consequences of it that Plaintiffs  
15 allege.

16 22. Valve denies all allegations in paragraph 22.

17 23. Valve denies all allegations in paragraph 23.

18 24. Valve denies all allegations in paragraph 24.

19 25. Valve denies all allegations in paragraph 25.

20 26. Paragraph 26 contains legal conclusions to which no response is required. To the  
21 extent a response is required, Valve denies the allegations in paragraph 26.

22 **PARTIES**

23 27. Valve lacks knowledge or information sufficient to form a belief as to the location  
24 of Wolfire's headquarters. Valve admits that Wolfire has entered into certain agreements with  
25 Valve. Valve denies the remaining allegations in paragraph 27.

1 28. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
2 the allegations in paragraph 28, and therefore denies them.

3 29. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
4 the allegations in paragraph 29, and therefore denies them.

5 30. Valve admits that it entered into an agreement with “Dark Catt Studios Holding,  
6 Inc.” The allegation that “DCS Interactive [was] bound by the terms of its parent DCS Holdings’  
7 contracts with Valve” constitutes a legal conclusion to which no response is required. To the  
8 extent a response is required, Valve lacks knowledge or information sufficient to form a belief as  
9 to the truth of this assertion. Valve also lacks knowledge or information sufficient to form a  
10 belief as to the truth of the remaining allegations in paragraph 30 and footnote 4.

11 31. Paragraph 31 contains legal conclusions to which no response is required. To the  
12 extent a response is required, Valve admits that it is a corporation organized and existing under  
13 the laws of the State of Washington with its principal place of business in Bellevue, Washington,  
14 that it develops games, operates Steam, designs and arranges for the manufacture of hardware,  
15 enters into a Steam Distribution Agreement (“SDA”) with some game publishers, and makes  
16 Steamworks Documentation available to them. Valve lacks knowledge or information sufficient  
17 to form a belief as to the truth of allegation that it is “the world’s largest PC game distributor.”  
18 Valve denies the remaining allegations in paragraph 31.

19 **JURISDICTION AND VENUE**

20 32. Valve admits that Plaintiffs bring this action under Sections 4 and 16 of the  
21 Clayton Act, Section 2 of the Sherman Act, and Washington’s Consumer Protection Act. Valve  
22 denies the remaining allegations in paragraph 32.

23 33. Paragraph 33 contains legal conclusions to which no response is required. To the  
24 extent a response is required, Valve denies the allegations in paragraph 33.

25 34. Paragraph 34 contains legal conclusions to which no response is required. To the  
26 extent a response is required, Valve admits that its headquarters are located in Bellevue,

1 Washington, that it transacts business in the Western District of Washington, that it has  
2 contracted with publishers in the Western District of Washington, and that it has contacts with  
3 the Western District of Washington. Valve denies the remaining allegations in paragraph 34.

4 35. Paragraph 35 contains legal conclusions to which no response is required. To the  
5 extent a response is required, Valve admits that it transacts business in the Western District of  
6 Washington., and denies the remaining allegations in paragraph 35.

7 36. Paragraph 36 contains legal conclusions to which no response is required. To the  
8 extent a response is required, Valve denies the allegations in paragraph 36.

9 37. Paragraph 37 contains legal conclusions to which no response is required. To the  
10 extent a response is required, Valve admits that it transacts business in the Western District of  
11 Washington, admits that in certain of its agreements with developers the parties agreed to resolve  
12 certain disputes in courts located in King County, Washington, and denies the remaining  
13 allegations in paragraph 37.

14 **FACTUAL ALLEGATIONS**

15 **I. BACKGROUND**

16 38. Valve admits that a video game is an electronic game that can be played on a  
17 computing device such as a PC, gaming console, smartphone, or tablet. Valve lacks knowledge  
18 or information sufficient to form a belief as to the truth of the remaining allegations in paragraph  
19 38, and therefore denies them.

20 39. Valve admits only that video games can be played on different types of devices.  
21 Valve lacks knowledge or information sufficient to form a belief as to the truth of the remaining  
22 allegations in paragraph 39, and therefore denies them.

23 40. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
24 the allegations in paragraph 40, and therefore denies them.

25 41. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
26 the allegations in paragraph 41, and therefore denies them.

1 42. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
2 the allegations in paragraph 42, and therefore denies them.

3 43. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
4 the allegations in paragraph 43 and footnote 5, and therefore denies them.

5 44. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
6 the allegations in paragraph 44, and therefore denies them.

7 45. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
8 the allegations in paragraph 45, and therefore denies them.

9 **A. Valve Builds its Dominant Position in PC Game Distribution**

10 46. Valve admits the allegations in paragraph 46.

11 47. Valve admits that Sierra originally published Half-Life and other PC games.  
12 Valve denies the remaining allegations in paragraph 47.

13 48. Valve admits that its business changed after Steam's creation in 2003. Valve  
14 admits that the quoted words in footnote 6 appear on the Valve website Plaintiffs cite and  
15 respectfully refers the Court to the document for a complete statement of its contents. Valve  
16 admits the facts asserted in the quotation. Valve denies the remaining allegations in paragraph  
17 48.

18 49. Valve admits that it released Half-Life 2 in November 2004 and required the  
19 Steam client to be installed on the user's PC to play that game. Valve further admits that upon  
20 release consumers could purchase Half-Life 2 on Steam and from resellers, and could play it on  
21 Steam. Valve denies the remaining allegations in paragraph 49.

22 50. Valve admits that the quoted words appear in the cited article and respectfully  
23 refers the Court to the article for a complete statement of its contents. Valve denies the facts  
24 asserted in the quotation. Valve denies the remaining allegations in paragraph 50 and footnote 7.

25 51. Valve denies all allegations in paragraph 51.  
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1           52. Valve admits that it has entered into agreements with third parties to distribute  
2 their games on Steam and sometimes receives a percentage of revenues as compensation. Valve  
3 admits that there are over 50,000 games currently available on Steam, and that the majority of  
4 them are third-party games. Valve denies the remaining allegations in paragraph 52 and footnote  
5 8.

6           53. Valve admits that the quoted words appear in the cited article, and respectfully  
7 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
8 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
9 therefore denies them. Valve admits that Valve does not sell on Steam versions of games enabled  
10 for other platforms. Valve denies the remaining allegations in paragraph 53 and footnote 9.

11           54. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
12 the allegation concerning *Forbes'* 2005 estimate of what Valve "grossed," and therefore denies  
13 it. Valve admits that the quoted words appear in the articles cited in footnotes 10-13, and  
14 respectfully refers the Court to the articles for complete statements of their contents. Valve  
15 denies the fact asserted in the quotation concerning its 2011 market share. Valve admits that Mr.  
16 Newell made the statements attributed to him in paragraph 54. Valve denies the remaining  
17 allegations in paragraph 54 and footnotes 10-13.

18           55. Valve admits that Steam is Valve's largest source of revenue. Valve denies the  
19 remaining allegations in paragraph 55 and footnotes 14 and 15.

20           56. Valve admits that it recorded 120 million active monthly players, 24.8 million  
21 peak concurrent users, and 2.6 million new purchasers per month in 2020. Valve admits that the  
22 quoted words appear in the article cited in footnote 16, and respectfully refers the Court to the  
23 document for a complete statement of its contents. Valve denies the facts asserted in the  
24 quotation in footnote 16. Valve denies the remaining allegations in paragraph 56 and footnote 16.

25           57. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
26 the allegations in paragraph 57 and footnote 19, and therefore denies them.

1 58. Valve denies all allegations in paragraph 58 and footnote 20.

2 59. Valve denies all allegations in paragraph 59.

3 60. Paragraph 60 contains legal conclusions to which no response is required. To the  
4 extent a response is required, Valve denies all allegations in paragraph 60.

5 **B. Publishers Must Have Access to Steam and Steam Keys to Meaningfully**  
6 **Participate in the Market**

7 61. Valve denies all allegations in paragraph 61.

8 62. Valve admits that a Steam Key is an alphanumeric code generated by Valve “that  
9 provides access to a game hosted on Steam.” Valve denies the remaining allegations in  
10 paragraph 62.

11 63. Valve admits the allegations in paragraph 63.

12 64. Valve denies all allegations in paragraph 64.

13 65. Valve denies that publishers must request Steam Keys. Valve further denies that  
14 all customers enable their games on Steam after obtaining Steam Keys. Valve admits the  
15 remaining allegations in paragraph 65.

16 66. Valve admits that other stores sell access to games through Steam Keys. Valve  
17 lacks knowledge or information sufficient to form a belief as to the truth of the remaining  
18 allegations in paragraph 66, and therefore denies them.

19 67. Valve admits that Valve’s competitors include Amazon, GameStop, Walmart,  
20 Target, Green Man Gaming, Humble Bundle, and GOG. Valve lacks knowledge or information  
21 sufficient to form a belief as to the truth of the remaining allegations in paragraph 67, and  
22 therefore denies them.

23 68. Valve denies that the alternative stores identified in paragraph 67 do not provide a  
24 PC game distribution channel independent of Steam and outside of Valve’s control, and denies  
25 that these stores do not provide a significant competitive constraint on Valve. Valve lacks  
26



1 knowledge or information sufficient to form a belief as to the truth of the remaining allegations  
2 in paragraph 68 and footnotes 21 and 22, and therefore denies them.

3 69. Valve denies all allegations in paragraph 69.

4 70. Valve admits that from time to time, some persons independent of Valve have  
5 attempted to engage in fraudulent or otherwise improper conduct using Steam Keys. Valve lacks  
6 knowledge or information sufficient to form a belief as to the truth of the remaining allegations  
7 in paragraph 70, and therefore denies them.

8 71. Valve admits that a “grey market” for Steam Keys exists. Valve lacks knowledge  
9 or information sufficient to form a belief as to the truth of the remaining allegations in paragraph  
10 71, and therefore denies them.

11 72. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
12 the allegations in paragraph 72, and therefore denies them.

13 73. Valve denies all allegations in paragraph 73.

14 74. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
15 the allegations in paragraph 74, and therefore denies them.

16 75. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
17 the allegations in paragraph 75, and therefore denies them.

18 76. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
19 the allegations of the existence of a “problem” and that Humble Bundle “solved” it in paragraph  
20 76, and therefore denies them. Valve admits the remaining allegations in paragraph 76.

21 77. Valve denies all allegations in the first two sentences of paragraph 77. Valve lacks  
22 knowledge or information sufficient to form a belief as to the truth of the allegations in the last  
23 sentence of paragraph 77, and therefore denies them.

24 78. Valve admits that it eventually terminated the direct integration with Humble  
25 Bundle alleged in paragraph 78. Valve lacks knowledge or information to form a belief as to the  
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1 truth of the remaining allegations in the last sentence of paragraph 78, and therefore denies them.

2 Valve denies the remaining allegations in paragraph 78.

3 79. Valve denies all allegations in paragraph 79.

4 80. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
5 the allegations in paragraph 80 and footnote 23, and therefore denies them.

6 81. Valve denies the allegations in the first sentence of paragraph 81. Valve admits  
7 that some publishers use Steam Keys to provide review copies and promote their games. Valve  
8 lacks knowledge or information sufficient to form a belief as to the remaining allegations in  
9 paragraph 81, and therefore denies them.

10 82. Valve denies all allegations in paragraph 82.

11 **C. Valve Propagates Its Anticompetitive Rules and Pricing Through Its**  
12 **Contracts with Publishers**

13 83. Valve admits that Valve requires publishers wishing to market Steam-enabled  
14 games to sign up as a Steamworks Partner with Valve. Valve denies the remaining allegations in  
15 paragraph 83.

16 84. Valve admits that it contracts with some game publishers via an SDA. Valve  
17 further admits that the Steamworks Documentation includes certain provisions about how to use  
18 its software. Valve denies the remaining allegations in paragraph 84.

19 85. Valve admits that the quoted words appear on the cited web page, and respectfully  
20 refers the Court to the web page for a complete statement of its contents. Valve further admits  
21 that publishers seeking to publish their games on Steam must create a Steamworks developer  
22 account, agree to an SDA, and pay a Steam Direct fee for each game they seek to distribute on  
23 Steam. Valve denies the remaining allegations in paragraph 85.

24 86. Valve admits that the quoted words appear on the cited web page and respectfully  
25 refers the Court to the web page for a complete statement of its contents. Valve admits that  
26 Steamworks SDK helps publishers integrate their games for play on Steam and access certain

1 optional features if they choose to do so, and admits that publishers must make their Steam-  
2 enabled games available for sale on Steam if they choose to sell Steam-enabled versions of those  
3 games. Valve further admits that SteamPipe is a Steamworks SDK tool that is required to upload  
4 content to Steam. Valve further admits that persons or entities distributing games on Steam in  
5 accordance with Valve’s terms are often referred to as “Steamworks partners” subject to some  
6 provisions in the Steamworks Documentation and SDA. Valve denies the remaining allegations  
7 in paragraph 86.

8 87. Valve admits that the quoted words in footnote 27 appear in the SDA, and  
9 respectfully refers the Court to the document for a complete statement of its contents. Valve  
10 admits that Steamworks Documentation includes requirements for publishers who release their  
11 products on Steam. Valve denies the remaining allegations in paragraph 87.

12 88. The term, “Steamworks Rules” in paragraph 88 is vague and ambiguous, and  
13 Valve denies the allegations relating to them on this basis. Valve denies the remaining  
14 allegations in paragraph 88.

15 89. Valve admits that, under the SDA, Valve retains a percentage of some sales on  
16 Steam and that publishers set their own pricing for their games on Steam. Valve admits that it  
17 made changes to its revenue share agreement as described in the website cited in footnote 29.  
18 Valve denies that these changes are largely superficial. Valve lacks knowledge or information  
19 sufficient to form a belief as to the truth of the allegations concerning pricing decisions of third-  
20 party game publishers, and therefore denies them. Valve denies the remaining allegations in  
21 paragraph 89 and footnote 29.

22 90. Valve denies all allegations in paragraph 90.

## 23 **II. RELEVANT MARKET**

24 91. Valve admits that Plaintiffs allege that the relevant product market is the PC game  
25 distribution market and that the relevant geographic market is at least as broad as the United  
26 States. Valve denies that these are legally cognizable relevant markets.

1           **A.     The Relevant Product Market Is PC Game Distribution**

2           92.     Valve denies all allegations in paragraph 92.

3           93.     Valve lacks knowledge or information sufficient to form a belief as to the truth of  
4 the allegations concerning the compatibility of “PC games” with “game consoles” and  
5 consumers’ alternative uses for “PCs, consoles, and mobile devices,” and therefore denies them.  
6 Valve denies the remaining allegations in paragraph 93.

7           94.     Valve lacks knowledge or information sufficient to form a belief as to the truth of  
8 the allegations concerning “factors driv[ing] consumers’ preferences,” and therefore denies them.  
9 Valve denies the remaining allegations in paragraph 94.

10          95.     Valve lacks knowledge or information sufficient to form a belief as to the truth of  
11 the allegations concerning “consumer views” about and “use cases” for PC, console, and mobile  
12 gaming, and therefore denies them. Valve denies the remaining allegations in paragraph 95.

13          96.     Valve lacks knowledge or information sufficient to form a belief as to the truth of  
14 the allegations in paragraph 96, and therefore denies them.

15          97.     Valve lacks knowledge or information sufficient to form a belief as to the truth of  
16 the allegations in paragraph 97, and therefore denies them.

17          98.     Valve admits that over 50,000 games are currently available on Steam. Valve  
18 lacks knowledge or information sufficient to form a belief as to the truth of the remaining  
19 allegations in paragraph 98 and footnote 30, and therefore denies them.

20          99.     Valve lacks knowledge or information sufficient to form a belief as to the truth of  
21 the allegations in paragraph 99 and footnote 31, and therefore denies them.

22          100.    Valve lacks knowledge or information sufficient to form a belief as to the truth of  
23 the allegations in paragraph 100, and therefore denies them.

24          101.    Valve lacks knowledge or information sufficient to form a belief as to the truth of  
25 the allegations in paragraph 101, and therefore denies them.

1           102. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
2 the allegations in paragraph 102, and therefore denies them.

3           103. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
4 the allegations in paragraph 103, and therefore denies them.

5           104. Valve admits that games that allow online multiplayer gaming do not always  
6 allow the players on each platform to game together across different hardware systems. Valve  
7 lacks knowledge or information sufficient to form a belief as to the truth of the remaining  
8 allegations in paragraph 104, and therefore denies them.

9           105. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
10 the allegations in paragraph 105 and footnote 32, and therefore denies them.

11           106. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
12 the allegations concerning other digital storefronts, and therefore denies them. Valve denies the  
13 remaining allegations in paragraph 106.

14           107. Valve admits that the quoted words appear in the cited document, and respectfully  
15 refers the Court to the document for a complete statement of its contents. Valve admits the facts  
16 asserted in the quotations. Valve denies the remaining allegations in paragraph 107 and footnotes  
17 33-35.

18           108. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
19 the allegations concerning factors that “affect playability” and “user experience” of video games  
20 in paragraph 108, and therefore denies them. Valve also lacks knowledge or information  
21 sufficient to form a belief as to the truth of the allegations concerning the average size of mobile  
22 games and size of “the most basic PC game,” and therefore denies them. Valve admits that  
23 enhanced graphics and other features may add to a game’s data volume. Valve lacks knowledge  
24 or information sufficient to form a belief as to the truth of the remaining allegations in paragraph  
25 108 and footnotes 36 and 37, and therefore denies them.

26

1           109. Valve admits that publishers sometimes incur costs when porting their games  
2 from one hardware system to another. Valve lacks knowledge or information sufficient to form a  
3 belief as to the truth of the remaining allegations in paragraph 109, and therefore denies them.

4           110. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
5 the allegations in paragraph 110, and therefore denies them.

6           111. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
7 the allegations in paragraph 111, and therefore denies them.

8           112. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
9 the allegations in paragraph 112, and therefore denies them.

10           113. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
11 the allegations in paragraph 113, and therefore denies them.

12           114. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
13 the allegations in paragraph 114, and therefore denies them.

14           115. Valve admits that analysts following the gaming industry use a variety of metrics  
15 in their analyses. Valve lacks knowledge or information sufficient to form a belief as to the truth  
16 of the remaining allegations in paragraph 115 and footnote 38, and therefore denies them.

17           116. Valve admits that the website Newzoo breaks the “Global Games market” into  
18 three categories in the referenced market summary, and respectfully refers the Court to the  
19 website for a complete statement of its contents. Valve lacks knowledge or information sufficient  
20 to form a belief as to the accuracy of Newzoo’s analysis, or the basis therefor, and therefore  
21 denies these allegations. Valve denies all remaining allegations in paragraph 116 and footnote  
22 39.

23           117. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
24 the allegations in paragraph 117, and therefore denies them.

25           118. Valve admits that Plaintiffs use “PC games” in the Complaint in the manner  
26 described in paragraph 118. Valve denies the remaining allegations in paragraph 118.

1 119. Valve admits that the quoted words appear in the cited document, and respectfully  
2 refers the Court to the document for a complete statement of its contents. Valve denies that the  
3 quoted words are applicable to the analysis of market definition or other issues in this case.

4 Valve denies any remaining allegations in paragraph 119 and footnote 40.

5 120. Valve admits that, in the *Epic* case, it took the position that Valve did not compete  
6 in the mobile application market. Valve denies the remaining allegations in paragraph 120.

7 121. Paragraph 121 contains legal conclusions to which no response is required. To the  
8 extent a response is required, Valve denies the allegations in paragraph 121.

9 **B. The Relevant Geographic Market Is at Least as Broad as the United States**

10 122. Valve admits that it distributes games for sale over the Internet. Valve denies the  
11 remaining allegations in paragraph 122, and further denies that an allegation of a geographic  
12 market “at least as broad as the United States” is legally cognizable.

13 123. Valve is unable to determine the source of the allegations in paragraph 123 and  
14 therefore denies them.

15 124. Valve admits that the quoted words in paragraph 124 appear on the cited website,  
16 except that it currently refers to “132 million monthly active uses,” not 120 million. Valve  
17 respectfully refers the Court to the website for a complete statement of its contents.

18 125. Valve admits that the quoted words appear on the cited website, and respectfully  
19 refers the Court to the website for a complete statement of its contents.

20 126. Valve admits that the quoted words appear on the cited website, and respectfully  
21 refers the Court to the website for a complete statement of its contents.

22 127. Valve admits that Steam hosts games from developers in many countries  
23 throughout the world. Valve lacks knowledge or information sufficient to form a belief as to the  
24 truth of the allegation of the number of countries in which contributors to Steam Workshop  
25 reside, and therefore denies that allegation. Valve denies the remaining allegations in paragraph  
26 127.

1           128. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
2 the allegations in paragraph 128 and footnote 45, and therefore denies them.

3 **III. VALVE’S MARKET POWER**

4           129. Valve admits that the quoted words appear in the cited article, and respectfully  
5 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
6 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
7 therefore denies them. Valve denies the remaining allegations in paragraph 129 and footnote 46.

8           130. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
9 the allegation that “most third-party retailers are in fact selling Steam keys,” and therefore denies  
10 it. Valve denies the remaining allegations in paragraph 130.

11           131. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
12 the allegations in paragraph 131, and therefore denies them.

13           132. Valve denies that most publishers cannot avoid using Steam Keys (to make sales  
14 outside the Steam Store) by self-publishing their game. Valve lacks knowledge or information  
15 sufficient to form a belief as to the truth of the remaining allegations in paragraph 132, and  
16 therefore denies them.

17           133. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
18 the allegations in paragraph 133.

19           134. Valve denies all allegations in paragraph 134.

20           135. Valve denies all allegations in paragraph 135.

21           136. Valve admits that the quoted words appear in the cited article, and respectfully  
22 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
23 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
24 therefore denies them. Valve denies the remaining allegations in paragraph 136 and footnotes 47  
25 and 48.



1           137. Valve admits that the quoted words are spoken in the cited video, and respectfully  
2 refers the Court to the video for a complete statement of its contents. Valve lacks knowledge or  
3 information sufficient to form a belief regarding the facts asserted in the quotation, and therefore  
4 denies them. Valve denies the remaining allegations in paragraph 137 and footnote 49.

5           138. Valve admits that the quoted words appear in the cited article, and respectfully  
6 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
7 information sufficient to form a belief regarding the facts asserted in the quotation, and therefore  
8 denies them. Valve admits that at one time during the COVID-19 pandemic, there were more  
9 than 22 million users on Steam in a single day. Valve lacks knowledge or information sufficient  
10 to form a belief as to the truth of the remaining allegations in paragraph 138 and footnotes 50 and  
11 51, and therefore denies them.

12           139. Valve admits that the quoted words appear in the cited blog post, and respectfully  
13 refers the Court to the blog post for complete statements of its contents. Valve denies the facts  
14 asserted in the quotation. Valve denies the remaining allegations in paragraph 139 and footnotes  
15 52-56.

16           140. Valve admits that Steam connects gamers to games, other gamers, and publishers.  
17 Valve lacks knowledge or information sufficient to form a belief as to the truth of the remaining  
18 allegations in paragraph 140, and therefore denies them.

19           141. Valves admits that Steam includes social networking features, communities of  
20 game "modders," and an achievement system. Valve denies the remaining allegations in  
21 paragraph 141.

22           142. Valve admits that the quoted words appear in the cited report and respectfully  
23 refers the Court to the report for a complete statement of its contents. Valve lacks knowledge or  
24 information sufficient to form a belief regarding the facts asserted in the quotation, and therefore  
25 denies them. Valve denies the remaining allegations in paragraph 142 and footnote 57.

26

1           143. Valve admits that the quoted words appear in the cited publications, and  
2 respectfully refers the Court to the publications for complete statements of their contents. Valve  
3 lacks knowledge or information sufficient to form a belief regarding the facts asserted in the  
4 quotations, and therefore denies them. Valve admits that it collects certain data., *e.g.*, as  
5 described in the Steam Privacy Policy Agreement, [https://store.steampowered.com](https://store.steampowered.com/privacy_agreement/)  
6 [/privacy\\_agreement/](https://store.steampowered.com/privacy_agreement/). Valve denies the remaining allegations in paragraph 143 and footnotes 58  
7 and 59.

8           144. Valve admits only that it has the ability to refuse to feature games or otherwise  
9 reduce a game’s visibility on Steam. Valve denies the remaining allegations in paragraph 144.

10           145. Valve admits only that it promotes its own games on Steam. Valve denies the  
11 remaining allegations in paragraph 145.

12           146. Valve admits only that it has the ability to remove games from Steam after they  
13 have launched. Valve denies the remaining allegations in paragraph 146.

14           147. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
15 the allegations in paragraph 147 and footnotes 60-61, and therefore denies them.

16           148. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
17 the allegations in paragraph 148, and therefore denies them.

18           149. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
19 the allegations in paragraph 149, and therefore denies them.

20           150. Valve admits that Steam currently has more than 50,000 games available. Valve  
21 denies the remaining allegations in paragraph 150.

22           151. Paragraph 151 contains legal conclusions to which no response is required. To the  
23 extent a response is required, Valve admits that it maintains a “Steam Workshop” and that Steam  
24 Workshop users can create digital goods and modifications that can be sold to other gamers.  
25 Valve denies the remaining allegations in paragraph 151 and footnote 63.  
26

1 152. Valve admits that it made some payments to Steam Workshop participants and  
2 discussed them. Valve denies the remaining allegations in paragraph 152 and footnotes 64  
3 and 65.

4 153. Valve denies all allegations in paragraph 153.

5 **IV. VALVE HAS UNLAWFULLY RESTRAINED TRADE AND MONOPOLIZED**  
6 **THE RELEVANT MARKET**

7 154. Valve denies all allegations in paragraph 154.

8 155. Valve denies all allegations in paragraph 155.

9 **A. Value Requires Publishers to Agree to an Anticompetitive MFN**

10 156. Valve denies all allegations in paragraph 156.

11 157. Valve admits that the quoted words appear in the cited article, and respectfully  
12 refers the Court to the article for a complete statement of its contents. Valve denies the facts  
13 asserted in the quotations. Valve denies the remaining allegations in paragraph 157 and footnotes  
14 66 and 67.

15 158. Valve denies all allegations in paragraph 158.

16 159. Valve denies all allegations in paragraph 159.

17 **1. The Valve PMFN Creates a Price Floor**

18 160. Valve admits that MFNs can be procompetitive when they control costs and keep  
19 down prices to end consumers. Valve lacks knowledge or information sufficient to form a belief  
20 as to the truth of the remaining allegations in paragraph 160, and therefore denies them.

21 161. The allegation that the most-favored-nation clause “is not helping Valve control  
22 costs and receive competitive prices for its inputs vis a vis its competitors” is vague and ambig-  
23 uous, and Valve denies it on this basis. To the extent a response is required, Valve denies it.  
24 Valve denies the remaining allegations in paragraph 161.

25 162. Valve denies all allegations in paragraph 162.

26 163. Valve denies all allegations in paragraph 163.

1                   **2. Publishers Must Comply with Valve's PMFN**

2           164. Valve denies all allegations in paragraph 164.

3           165. Valve admits it has taken actions with respect to certain publishers' compliance  
4 (or lack thereof) with the Steamworks Documentation. Valve was unable to access the website  
5 cited in footnote 68, and therefore cannot admit or deny whether the quoted language accurately  
6 reflects its source. Valve is without knowledge or information sufficient to form a belief as to the  
7 truth of the remaining allegations in paragraph 165 and footnote 68, and therefore denies them.

8           166. Valve admits that the quoted words appear on the website cited in footnote 69,  
9 except that the first bulleted sentence is not found in the Steam Keys Rules and Guidelines  
10 section, but in the Overview section. Valve respectfully refers the Court to the document for a  
11 complete statement of its contents. Valve denies the remaining allegations in paragraph 166.

12           167. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
13 the allegations in paragraph 167, and therefore denies them.

14           168. Valve admits that the quoted words appear in the cited website post, and  
15 respectfully refers the Court to the post for a complete statement of its contents. Valve admits  
16 that the words were contained in an earlier version of Valve's Steamworks Documentation.  
17 Valve denies the remaining allegations in paragraph 168.

18           169. Valve admits that the quoted words appear in the cited website post, and  
19 respectfully refers the Court to the post for a complete statement of its contents. Valve admits  
20 that the quoted words are contained in Valve's Steamworks Documentation as of the date of this  
21 Answer. Valve denies the remaining allegations in paragraph 169.

22           170. Valve admits that the quoted words appear in the cited Tweets, and respectfully  
23 refers the Court to the Tweets for complete statements of their contents. Valve denies the facts  
24 asserted in the quotations. Valve denies the remaining allegations in paragraph 170 and footnotes  
25 72 and 73.

26           171. Valve denies all allegations in paragraph 171.

1           172. Valve denies all allegations in paragraph 172, which describes DLC in a way that  
2 is different from the SDAs and the definition of DLC quoted in paragraph 173.

3           173. Valve admits that the quoted words appear in the cited document, and respectfully  
4 refers the Court to the document for a complete statement of its contents.

5           174. Valve admits that the quoted words appear in the cited document, and respectfully  
6 refers the Court to the document for a complete statement of its contents.

7           175. Valve denies all allegations in paragraph 175.

8           176. Valve denies that it imposes “restrictions” on DLC. Valve lacks knowledge or  
9 information sufficient to form a belief as to the truth of the remaining allegations in paragraph  
10 176, and therefore denies them.

11           177. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
12 the allegations in paragraph 177 and footnote 77, and therefore denies them.

13           178. Valve denies all allegations in paragraph 178.

14           179. Valve denies all allegations in paragraph 179.

15           180. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
16 the allegations in paragraph 180, and therefore denies them.

17           181. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
18 the allegations in paragraph 181, and therefore denies them.

19           182. Valve denies all allegations in paragraph 182.

20           183. Valve denies that the two quoted paragraphs constitute the “Delivery clause” in  
21 the SDA. Valve further denies that the first paragraph of the quotation in paragraph 183 appears  
22 in the clause of the SDA cited in footnote 78. On the contrary, it is found in section 2.1 of the  
23 SDA. Valve admits that the second paragraph of the quotation in paragraph 183 appears in the  
24 clause of the SDA cited in footnote 78, but notes that it omits the first sentence of the paragraph.  
25 Valve respectfully refers the Court to the document for a complete statement of its contents.  
26

1 184. Valve admits it has some business interest in receiving updates to games hosted  
2 on Steam. Valve denies the remaining allegations in paragraph 184.

3 **B. The Valve PMFN Suppresses Price Competition**

4 185. Valve denies all allegations in paragraph 185.

5 186. Valve denies that it maintains or enforces a PMFN. Valve lacks knowledge or  
6 information sufficient to form a belief as to the truth of the remaining allegations in paragraph  
7 186, and therefore denies them.

8 187. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
9 the remaining allegations in paragraph 187, and therefore denies them.

10 188. Valve denies all allegations in paragraph 188.

11 189. Valve admits that the quoted words appear in the cited Tweet, and respectfully  
12 refers the Court to the Tweet for a complete statement of its contents. Valve denies the facts  
13 asserted in the quotation. Valve lacks knowledge or information sufficient to form a belief as to  
14 the truth of the remaining allegations in paragraph 189 and footnote 79, and therefore denies  
15 them.

16 190. Valve admits that the quoted words appear in the cited article, and respectfully  
17 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
18 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
19 therefore denies them. Valve denies the remaining allegations in paragraph 190 and footnote 80.

20 191. Valve denies all allegations in paragraph 191.

21 192. Valve denies all allegations in paragraph 192.

22 193. Valve denies that it imposes a PMFN. Valve lacks knowledge or information  
23 sufficient to form a belief as to the truth of the remaining allegations in paragraph 193, and  
24 therefore denies them.

25 194. Valve denies all allegations in paragraph 194.

26

1           **C.     Valve Enforces the PMFN to Suppress Competition from Rival PC Game**  
2           **Distributors**

3           195.   Valve denies all allegations in paragraph 195.

4           196.   Valve admits only that the copy of the screen reproduced in paragraph 196  
5 appears to be an accurate reproduction of a screen asking for confirmation of a request for Steam  
6 Keys and setting out certain terms. Valve denies the remaining allegations in paragraph 196.

7           197.   Valve admits that the quoted words appear on the screen reproduced in paragraph  
8 196, and respectfully refers the Court to the image in paragraph 196 for a complete statement of  
9 its contents. Valve denies the remaining allegations in paragraph 197.

10          198.   Valve denies all allegations in paragraph 198.

11          199.   Valve denies all allegations in paragraph 199.

12          200.   Valve denies all allegations in paragraph 200.

13          201.   Valve denies all allegations in paragraph 201.

14          202.   Valve admits that the quoted words appear in the cited post, and respectfully  
15 refers the Court to the post for a complete statement of its contents. Valve denies the remaining  
16 allegations in paragraph 202.

17          203.   Valve admits that Steamworks includes discussion forums where game publishers  
18 can interact with Valve employees. Valve further admits that the quoted words appeared in  
19 forum postings. Valve denies the remaining allegations in paragraph 203.

20          204.   Valve admits that the quoted words appeared in forum postings. Valve denies the  
21 remaining allegations in paragraph 204.

22          205.   Valve admits a Valve employee made the statement quoted in paragraph 205.

23          206.   Paragraph 206 contains legal conclusions to which no response is required. To the  
24 extent a response is required, Valve denies the allegations in paragraph 206.

25          207.   Valve lacks knowledge or information sufficient to form a belief as to the truth of  
26 the allegations in paragraph 207, and therefore denies them.

1           208. Valve denies that it maintains or enforces a PMFN. Valve admits that a call  
2 between Wolfire’s owner and Tom Giardino took place on December 3, 2018, but denies  
3 Plaintiffs’ allegations of the content of the call or what transpired during it. Valve lacks  
4 knowledge or information sufficient to form a belief as to the truth of the remaining allegations  
5 in paragraph 208, and therefore denies them.

6           209. Valve denies that Dark Catt was “banned” because it “offered its game for a  
7 temporary lower price on Humble Bundle.” By way of further answer, Valve barred Dark Catt’s  
8 offerings from Steam because Dark Catt manipulated reviews of its games in violation of the  
9 Steamworks Documentation and Valve terms including without limitation the SDA. Valve also  
10 denies that there is any notice requirement for removing games from Steam.

11           210. Valve denies all allegations in paragraph 210.

12           211. Valve denies all allegations in paragraph 211.

13           **D. Steam Keys Reinforce Valve’s Market Power by Providing Monitoring of**  
14           **Publishers’ Sales on Other Stores and Enforcement of the MFN**

15           212. Valve admits that Steam Keys provide a mechanism for publishers of Steam-  
16 enabled games to market those games on non-Steam storefronts. Valve admits that it has the  
17 sole ability to generate Steam keys. Valve denies the remaining allegations in paragraph 212.

18           213. Valve admits that it provides Steam Keys at no cost to publishers. Valve denies  
19 the remaining allegations in paragraph 213.

20           214. Valve admits that publishers are able to opt out of taking Steam Keys. Valve  
21 denies the remaining allegations in paragraph 214.

22           215. Valve admits that it provides Steam Keys at no cost to publishers. Valve denies  
23 the remaining allegations in paragraph 215.

24           216. Valve denies all allegations in paragraph 216.



1           217. Valve admits that Steam Keys provide a means for consumers to access games on  
2 Steam, and Valve has access to some limited data about gameplay. Valve denies the remaining  
3 allegations in paragraph 217.

4           218. Valve admits that the quoted words appear in the cited SDA provision, and  
5 respectfully refers the Court to the document for a complete statement of its contents. Valve  
6 further admits that it earns no revenue share when a publisher sells games on a site other than  
7 Steam that can be played on Steam using Steam Keys. Valve admits that consumers may use  
8 Steam Keys to obtain access to such games on Steam, and Valve admits that it sometimes retains  
9 a revenue share on some associated purchases within such games after consumers access them on  
10 Steam. Valve denies the remaining allegations in paragraph 218.

11           219. Valve admits that the quoted words appear in the cited Steamworks  
12 Documentation provisions, and respectfully refers the Court to the document for a complete  
13 statement of its contents. Valve admits that it amended the Onboarding section of the  
14 Steamworks Documentation to reflect the quoted text in October 2021. Valve denies the  
15 remaining allegations in paragraph 219.

16           220. Valve admits that it has the sole ability to create Steam Keys. Valve denies all  
17 remaining allegations in paragraph 220.

18           221. Valve admits that the quoted words appear in the Steamworks Documentation,  
19 and respectfully refers the Court to the document for a complete statement of its contents. Valve  
20 denies the remaining allegations in paragraph 221 and footnote 86.

21           222. Valve admits that the words, “normal size batches” and “Steam sales don’t reflect  
22 a need for as many keys as you’re distributing” appear in the message reproduced in paragraph  
23 223, and respectfully refers the Court to the message for a complete statement of its contents.  
24 Valve denies the facts asserted in the quotations. Valve denies the remaining allegations in  
25 paragraph 222 and footnote 87.  
26

1           223. Valve admits that a screenshot of a message appears in paragraph 223. Valve  
2 denies all other allegations in paragraph 223.

3           224. Valve denies all allegations in paragraph 224 and footnote 88.

4           225. Valve denies all allegations in paragraph 225.

5           226. Valve denies all allegations in paragraph 226.

6           227. Valve denies all allegations in paragraph 227.

7           228. Valve denies all allegations in paragraph 228.

8           229. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
9 the allegations in paragraph 229, and therefore denies them.

10          230. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
11 the allegation that Dark Catt “has had multiple requests for Steam keys from interested  
12 publishers wanting to trial its game,” and therefore denies this allegation. Valve denies the  
13 remaining allegations in paragraph 230.

14          231. Valve admits that it took certain actions with respect to Idalgame based on its use  
15 of Steamworks tools. Valve denies the remaining allegations in paragraph 231 and footnote 89.

16          232. Valve denies all allegations in paragraph 232.

17          233. Valve admits that Studio Wildcard published *Ark: Survival Evolved* on Steam in  
18 2017. Valve lacks knowledge or information sufficient to form a belief as to the truth of the  
19 allegations concerning the impact of Valve’s action on Studio Wildcard, and therefore denies  
20 them. Valve denies the remaining allegations in paragraph 233 and footnote 90.

21          234. Valve admits that the quoted words appear in the cited article, and respectfully  
22 refers the Court to the article for a complete statement of its contents. Valve admits that it took  
23 certain actions with respect to certain games in November 2019. Valve further admits it removed  
24 the game Electric Highways. The phrase “positive reviews” is vague and ambiguous, and Valve  
25 denies the allegations relating to them on this basis. To the extent an answer to this allegation is  
26

1 required, Valve denies it. Valve denies the remaining allegations in paragraph 234 and footnote  
2 91 and 92.

3 235. Valve denies all allegations in Paragraph 235.

4 **E. Valve Uses Its Review System to Enforce Its Contractual Restrictions and**  
5 **Discipline Publishers**

6 236. Valve denies all allegations in paragraph 236.

7 237. Valve denies all allegations in paragraph 237.

8 238. Valve denies all allegations in paragraph 238.

9 239. Valve admits that 4A Games and Deep Silver announced an exclusive with Epic  
10 for its new release, Metro Exodus, after having made the game available for pre-sale on Steam.  
11 Valve lacks knowledge or information sufficient to form a belief as to the truth of the allegations  
12 concerning exclusivity and pricing of Metro Exodus on non-Steam platforms, and therefore  
13 denies them. Valve denies the remaining allegations in paragraph 239.

14 240. Valve admits that the quoted words appear in the cited articles, and respectfully  
15 refers the Court to the articles for complete statements of their contents. Valve denies the  
16 remaining allegations in paragraph 240 and footnote 93.

17 241. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
18 the allegations in paragraph 241 and footnote 95, and therefore denies them.

19 242. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
20 the allegations concerning the gameplay of Metro Exodus and the impact of a user base “being  
21 spread out,” and therefore denies them. Valve denies the remaining allegations in paragraph 242.

22 243. Valve admits that Gearbox announced an exclusive on a competing platform for  
23 *Borderlands 3* in April 2019. Valve lacks knowledge or information sufficient to form a belief as  
24 to the truth of the allegations concerning the effect of this announcement on Steam user activity,  
25 and therefore denies them. Valve denies the remaining allegations in paragraph 243 and footnote  
26 96.

1           244. Valve admits that the quoted words appear in the cited website post, and  
2 respectfully refers the Court to the website post for a complete statement of its contents. Valve  
3 lacks knowledge or information sufficient to form a belief as to the truth of the facts asserted in  
4 the quotations, and therefore denies them. Valve admits that it cannot control posts by third  
5 parties on Reddit. Valve denies the remaining allegations in paragraph 244 and footnote 97.

6           245. Valve admits that Ys Net announced an exclusive on a competing platform for its  
7 Shenmue 3 game. Valve lacks knowledge or information sufficient to form a belief as to the truth  
8 of the allegations concerning Ys Net's fundraising campaign to develop the game and the impact  
9 its announcement had on Steam user activity, and therefore denies them. Valve denies the  
10 remaining allegations in paragraph 245 and footnote 98.

11           246. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
12 the allegations concerning the effect of Metro Exodus's announcement of an exclusive and the  
13 general impact of negative reviews, and therefore denies them. Valve denies the remaining  
14 allegations in paragraph 246 and footnote 99.

15           247. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
16 the allegations in paragraph 247, and therefore denies them.

17           248. Valve admits that, with respect to games on Steam that are not free of charge,  
18 only reviews from users who purchased a game on Steam are used to calculate its Steam score.  
19 Valve denies the remaining allegations in paragraph 248.

20           249. Valve denies all allegations in paragraph 249.

21           250. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
22 the allegations concerning the incentives of publishers and the importance of Steam reviews for  
23 game sales and visibility, and therefore denies them. Valve denies the remaining allegations in  
24 paragraph 250.

25           251. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
26 the allegations in paragraph 251, and therefore denies them.

1           252. Valve admits that the quoted words appear on the cited website, and respectfully  
2 refers the Court to the website for a complete statement of its contents. Valve admits the facts  
3 asserted in the quotations. Valve further admits that it implemented new policies concerning its  
4 examination of user reviews and may hide certain reviews that are “off-topic.” Valve denies the  
5 remaining allegations in paragraph 252.

6           253. Valve denies all allegations in paragraph 253.

7           254. Valve denies all allegations in paragraph 254.

8           255. Valve admits that it does not post game reviews itself. Valve denies the remaining  
9 allegations in paragraph 255.

10          256. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
11 the allegations in paragraph 256 and footnote 102, and therefore denies them.

12          257. Valve denies all allegations in paragraph 257.

13 **V. ANTICOMPETITIVE EFFECTS**

14          258. Valve denies all allegations in paragraph 258.

15          259. Valve denies all allegations in paragraph 259.

16          260. Valve denies all allegations in paragraph 260.

17          261. Valve denies all allegations in paragraph 261.

18          262. Valve admits that it is subject to substantial competition from companies  
19 including EA, Microsoft, and Amazon. Valve denies the remaining allegations in paragraph 262.

20          263. Valve denies all allegations in paragraph 263.

21          264. Valve admits that the quoted words appear in the cited article, and respectfully  
22 refers the Court to the article for a complete statements of its contents. Valve lacks knowledge or  
23 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
24 therefore denies them. Valve denies the remaining allegations in paragraph 264 and footnotes  
25 103 and 104.

1           265. Valve admits that the quoted words appear in the cited article, and respectfully  
2 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
3 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
4 therefore denies them. Valve denies the remaining allegations in paragraph 265 and footnote  
5 105.

6           266. Valve admits that the quoted words appear in the cited article, and respectfully  
7 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
8 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
9 therefore denies them. Valve denies the remaining allegations in paragraph 266 and footnotes  
10 106 and 107.

11           267. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
12 the allegations in paragraph 267 and footnote 108, and therefore denies them.

13           268. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
14 the allegations in paragraph 268 and footnote 109, and therefore denies them.

15           269. Valve admits that the quoted words appear in the cited article, and respectfully  
16 refers the Court to the article for a complete statements of its contents. Valve lacks knowledge or  
17 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
18 therefore denies them. Valve denies the remaining allegations in paragraph 269 and footnote  
19 110.

20           270. Valve admits that the quoted words appear in the cited article, and respectfully  
21 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
22 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
23 therefore denies them. Valve denies the remaining allegations in paragraph 270 and footnote  
24 113.

25           271. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
26 the allegation in paragraph 271 and footnote 113, and therefore denies them.

1 272. Valve denies all allegations in paragraph 272.

2 273. Valve denies all allegations in paragraph 273.

3 274. Valve denies all allegations in paragraph 274.

4 **A. As a Result of Valve’s Conduct, Valve’s Commissions Imposed on Publishers  
Are Inflated and Supracompetitive**

5 **1. The Commission Rate is Not Related to Valve’s Costs or the Benefit  
6 Steam Provides**

7 275. Valve admits it retains a 30% revenue share on some transactions. Valve admits  
8 that its cost structure is different from those of “brick-and-mortar retailers.” Valve denies the  
9 remaining allegations in paragraph 275.

10 276. Valve admits that the quoted words appear in the cited publication, and  
11 respectfully refers the Court to the publication for a complete statement of its contents. Valve  
12 lacks knowledge or information sufficient to form a belief as to the truth of the allegations about  
13 brick-and mortar retailers’ costs or commissions, and therefore denies them. Valve denies the  
14 remaining allegations in paragraph 276 and footnote 115.

15 277. Valve denies all allegations in paragraph 277.

16 278. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
17 the allegations in paragraph 278 and footnotes 116-117, and therefore denies them.

18 279. Valve admits that the quoted words appear in the cited publications and  
19 respectfully refers the Court to the publications for complete statements of their contents. Valve  
20 denies the facts asserted in the quotations. Valve denies the remaining allegations in paragraph  
21 279 and footnotes 118-120.

22 280. Valve denies all allegations in paragraph 280.

23 281. Valve denies all allegations in paragraph 281.

24 282. Valve denies all allegations in paragraph 282.

1           283. Valve admits that the dollar amount publishers pay to Valve may not be constant  
2 over time and depends on several factors. Valve denies the remaining allegations in paragraph  
3 283.

4           284. Valve denies all allegations in paragraph 284.

5           285. Valve admits that the quoted words appear in the cited article and respectfully  
6 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
7 information sufficient to form a belief as to the truth of the facts asserted in the quotations, and  
8 therefore denies them. Valve denies the remaining allegations in paragraph 285 and  
9 footnote 121.

10          286. Valve denies all allegations in paragraph 286.

11          287. Valve admits that the quoted words appear in the cited document, and respectfully  
12 refers the Court to the document for a complete statement of its contents. Valve lacks knowledge  
13 or information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
14 therefore denies them. Valve denies the remaining allegations in paragraph 287 and footnotes  
15 122 and 123.

16          288. Valve admits that the quoted words appear in the cited article, and respectfully  
17 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
18 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
19 therefore denies them. Valve lacks knowledge or information sufficient to form a belief as to the  
20 truth of the remaining allegations in paragraph 288 and footnote 124, and therefore denies them.

21          289. Valve admits that the quoted words appear in the cited article, and respectfully  
22 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
23 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
24 therefore denies them. Valve lacks knowledge or information sufficient to form a belief as to the  
25 truth of the remaining allegations in paragraph 289 and footnote 125, and therefore denies them.  
26



1           290. Valve admits that the quoted words appear in the cited article, and respectfully  
2 refers the Court to the article for a complete statement of its contents. Valve denies the facts  
3 asserted in the quotation. Valve lacks knowledge or information sufficient to form a belief as to  
4 the truth of the remaining allegations in paragraph 290 and footnote 126, and therefore denies  
5 them.

6           291. Valve denies all allegations in paragraph 291.

7           292. Valve denies all allegations in paragraph 292.

8           293. Valve denies all allegations in paragraph 293.

9                   **2. Commission in PC Gaming Distribution Would Force Down Valve's**  
10                   **Commission Rate**

11           294. Valve denies all allegations in paragraph 294.

12           295. Valve denies all allegations in paragraph 295.

13           296. Valve denies all allegations in paragraph 296.

14           297. Valve admits that the quoted words appear in the cited article, and respectfully  
15 refers the Court to the article for a complete statement of its contents. Valve denies the facts  
16 asserted in the quotation. Valve denies the remaining allegations in paragraph 297 and footnote  
17 127.

18           298. Valve lacks knowledge or information sufficient to form a belief regarding the  
19 truth of the allegations in paragraph 298 and footnote 128, and therefore denies them.

20           299. Valve admits that the quoted words appear in the cited article, and respectfully  
21 refers the Court to the article for a complete statement of its contents. Valve admits the facts  
22 asserted in the quotation.

23           300. Valve denies all allegations in paragraph 300.

24           301. Valve denies all allegations in paragraph 301.

25           302. Valve denies all allegations in paragraph 302.

26           303. Valve denies all allegations in paragraph 303.

1 304. Valve denies all allegations in paragraph 304.

2 305. Valve denies all allegations in paragraph 305.

3 306. Valve denies all allegations in paragraph 306.

4 307. Valve denies all allegations in paragraph 307.

5 **3. Valve Forecloses Other Stores that Offer More Competitive**  
6 **Commission Rates**

7 308. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
8 the allegations in paragraph 308, and therefore denies them.

9 309. Valve denies all allegations in paragraph 309.

10 310. Valve admits that the quoted words appear in the cited articles, and respectfully  
11 refers the Court to the articles for complete statements of their contents. Valve lacks knowledge  
12 or information sufficient to form a belief as to the truth of the facts asserted in the quotations,  
13 and therefore denies them. Valve lacks knowledge or information sufficient to form a belief as to  
14 the truth of the remaining allegations in paragraph 310 and footnotes 130-132, and therefore  
15 denies them.

16 311. Valve admits that the quoted words appear in the cited article, and respectfully  
17 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
18 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
19 therefore denies them. Valve lacks knowledge or information sufficient to form a belief as to the  
20 truth of the remaining allegations in paragraph 311 and footnote 133, and therefore denies them.

21 312. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
22 the allegations in paragraph 312 and footnote 134, and therefore denies them.

23 313. Valve lacks knowledge or information sufficient to form a belief as to the  
24 allegations in paragraph 313 and footnote 135, and therefore denies them.

25 314. Valve lacks knowledge or information sufficient to form a belief as to the  
26 allegations in paragraph 314, and therefore denies them.

1           315. Valve admits that the quoted words appear in the cited report, and respectfully  
2 refers the Court to the report for a complete statement of its contents. Valve lacks knowledge or  
3 information sufficient to form a belief as to the truth of the quoted words, and therefore denies  
4 them. Valve denies the remaining allegations in paragraph 315 and footnotes 136 and 137.

5           316. Valve denies all allegations in paragraph 316.

6           317. Valve denies all allegations in paragraph 317.

7           318. Valve denies all allegations in paragraph 318.

8           319. Valve denies all allegations in paragraph 319.

9           320. Valve denies all allegations in paragraph 320.

10          321. Valve denies all allegations in paragraph 321.

11          322. Valve admits that the quoted words appear in the cited website posts, and  
12 respectfully refers the Court to the posts for complete statements of their contents. Valve lacks  
13 knowledge or information sufficient to form a belief as to the truth of the quoted words not  
14 attributed to Valve, and therefore denies them. Valve denies the remaining allegations in  
15 paragraph 322 and footnotes 140-142.

16          323. Valve admits that the quoted words appear in the cited Tweet, and respectfully  
17 refers the Court to the Tweet for a complete statement of its contents. Valve lacks knowledge or  
18 information sufficient to form a belief as to the truth of the quoted words, and therefore denies  
19 them. Valve denies the remaining allegations in paragraph 323 and footnote 143.

20          324. Valve admits that it made changes to its revenue share terms. Valve denies the  
21 remaining allegations in paragraph 324.

22          325. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
23 the allegations in paragraph 325 and footnote 144, and therefore denies them.

24          326. Valve admits that the quoted words appear in the cited article, and respectfully  
25 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
26

1 information sufficient to form a belief as to the truth of the quoted words, and therefore denies  
2 them. Valve denies the remaining allegations in paragraph 326 and footnotes 145-147.

3 327. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
4 the allegations in paragraph 327, and therefore denies them. Valve specifically denies the  
5 existence of a PMFN.

6 328. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
7 the allegations in paragraph 328, and therefore denies them. Valve specifically denies the  
8 existence of a PMFN.

9 329. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
10 the allegations in paragraph 329, and therefore denies them.

11 330. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
12 the allegations in paragraph 330, and therefore denies them.

13 331. Valve denies all allegations in paragraph 331.

14 332. Valve denies all allegations in paragraph 332.

15 **B. Valve Excludes Potential Competitors from the Market**

16 333. Valve denies all allegations in paragraph 333.

17 334. Valve denies all allegations in paragraph 334.

18 335. Valve denies all allegations in paragraph 335.

19 336. Valve denies all allegations in paragraph 336.

20 337. Valve denies that it has market power and maintains a PMFN. Valve lacks  
21 knowledge or information sufficient to form a belief as to the truth of the remaining allegations  
22 in paragraph 337, and therefore denies them.

23 338. Valve admits that the quoted words appear in the cited articles, and respectfully  
24 refers the Court to the articles for complete statements of their contents. Valve lacks knowledge  
25 or information sufficient to form a belief regarding the truth of the remaining allegations in  
26 paragraph 338 and footnotes 148-153, and therefore denies them.

1           339. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
2 the allegations in paragraph 339 and footnote 154, and therefore denies them.

3           340. Valve admits that the quoted words in the unattributed quotation in paragraph 340  
4 appear in the article cited in footnote 156, and respectfully refers the Court to the post for a  
5 complete statement of its contents. Valve admits that Epic Games Store offers games and other  
6 offerings competitive with those on Steam. Valve lacks knowledge or information sufficient to  
7 form a belief as to the truth of the remaining allegations in paragraph 340, and therefore denies  
8 them.

9           341. Valve admits that the quoted words appear in the cited article, and respectfully  
10 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
11 information sufficient to form a belief as to the truth of the remaining allegations in paragraph  
12 341 and footnote 155, and therefore denies them.

13           342. Valve admits that the quoted words appear in the cited website post, and  
14 respectfully refers the Court to the post for a complete statement of its contents. Valve lacks  
15 knowledge or information sufficient to form a belief as to the truth of the remaining allegations  
16 in paragraph 342 and footnotes 156-158.

17           343. Valve lacks knowledge or information sufficient to form a belief regarding the  
18 truth of the allegations in paragraph 343 and footnotes 159-160, and therefore denies them.

19           344. Valve lacks knowledge or information sufficient to form a belief regarding the  
20 truth of the allegations in paragraph 344, and therefore denies them.

21           345. Valve admits that the quoted words appear in the cited article, and respectfully  
22 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
23 information sufficient to form a belief as to the truth of the remaining allegations in paragraph  
24 345 and footnote 161, and therefore denies them.

25           346. Valve denies all allegations in paragraph 346.

26           347. Valve denies all allegations in paragraph 347.

1           348. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
2 the allegations in paragraph 348, and therefore denies them.

3           349. Valve denies all allegations in paragraph 349.

4           350. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
5 the allegations in paragraph 350 and footnote 162, and therefore denies them.

6           351. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
7 the allegations in paragraph 351 and footnotes 163-164, and therefore denies them.

8           352. Valve admits that the quoted words appear in the cited article, and respectfully  
9 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
10 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
11 therefore denies them. Valve lacks knowledge or information sufficient to form a belief as the  
12 remaining allegations in paragraph 352 and footnotes 165-166, and therefore denies them.

13           353. Valve admits that the quoted words in the unattributed quotation in paragraph 353  
14 appear in the article cited in footnote 9, and respectfully refers the Court to the post for a  
15 complete statement of its contents. Valve lacks knowledge or information sufficient to form a  
16 belief as to the facts asserted in the quotation, and therefore denies them. Valve lacks knowledge  
17 or information sufficient to form a belief as to the truth of the remaining allegations in paragraph  
18 353, and therefore denies them.

19           354. Valve admits that the quoted words appear in the cited articles, and respectfully  
20 refers the Court to the articles for complete statements of their contents. Valve lacks knowledge  
21 or information sufficient to form a belief as to the truth of the facts asserted in the quotations,  
22 and therefore denies them. Valve admits that EA competes with Steam. Valve denies the  
23 remaining allegations in paragraph 354 and footnotes 167-168.

24           355. Valve denies all allegations in paragraph 355.

25           356. Valve admits that the quoted words appear in the cited article, and respectfully  
26 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or

1 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
2 therefore denies them. Valve admits that Microsoft offers games and other offerings competitive  
3 with those on Steam. Valve lacks knowledge or information sufficient to form a belief as to the  
4 truth of the remaining allegations in paragraph 356 and footnote 169, and therefore denies them.

5 357. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
6 the remaining allegations in paragraph 357, and therefore denies them.

7 358. Valve admits that the quoted words appear in the cited article, and respectfully  
8 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
9 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
10 therefore denies them. Valve lacks knowledge or information sufficient to form a belief as to the  
11 truth of the remaining allegations in paragraph 358 and footnotes 170-171, and therefore denies  
12 them.

13 359. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
14 the allegations in paragraph 359, and therefore denies them.

15 360. Valve admits that the quoted words appear in the cited article, and respectfully  
16 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
17 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
18 therefore denies them. Valve lacks knowledge or information sufficient to form a belief as to the  
19 truth of the remaining allegations in paragraph 360 and footnotes 172-173, and therefore denies  
20 them.

21 361. Valve admits that Google Stadia offers games and other offerings competitive  
22 with those on Steam. Valve admits that the quoted words appear in the cited articles, and  
23 respectfully refers the Court to the articles for a complete statement of their contents. Valve lacks  
24 knowledge or information sufficient to form a belief as to the truth of the facts asserted in the  
25 quotations, and therefore denies them. Valve lacks knowledge or information sufficient to form a  
26

1 belief as to the truth of the remaining allegations in paragraph 361 and footnotes 174-175, and  
2 therefore denies them.

3 362. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
4 the allegations in paragraph 362 and footnotes 176-177, and therefore denies them.

5 363. Valve admits that the quoted words appear in the cited article, and respectfully  
6 refers the Court to the article for a complete statement of its contents. Valve lacks knowledge or  
7 information sufficient to form a belief as to the facts asserted in the quotation, and therefore  
8 denies them. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
9 the remaining allegations in paragraph 363 and footnote 178, and therefore denies them.

10 364. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
11 the allegations in paragraph 364 and footnote 179, and therefore denies them.

12 365. Valve admits that the quoted words appear in the cited blog post, and respectfully  
13 refers the Court to the post for a complete statement of its contents. Valve lacks knowledge or  
14 information sufficient to form a belief as to the truth of the facts asserted in the quotation, and  
15 therefore denies them. Valve lacks knowledge or information sufficient to form a belief as to the  
16 truth of the remaining allegations in paragraph 365 and footnotes 180-183, and therefore denies  
17 them.

18 366. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
19 the allegations in paragraph 366 and footnotes 184-185, and therefore denies them.

20 367. Valve denies all allegations in paragraph 367.

21 368. Valve lacks knowledge or information sufficient to form a belief as to the truth of  
22 the allegations in paragraph 368, and therefore denies them.

23 369. Valve admits that the quoted words appear in the cited article, and respectfully  
24 refers the Court to the article for a complete statement of its contents. Valve denies the facts  
25 asserted in the quotation. Valve denies the remaining allegations in paragraph 369 and footnote  
26 186.



1 370. The allegations in paragraph 370 are speculation to which no response is required.

2 To the extent a response is required, Valve denies all allegations in paragraph 370.

3 371. The allegations in paragraph 371 are speculation to which no response is required.

4 To the extent a response is required, Valve denies all allegations in paragraph 371.

5 372. Valve denies all allegations in paragraph 372.

6 373. Valve denies all allegations in paragraph 373.

7 374. Valve denies all allegations in paragraph 374.

8 **CLASS ACTION ALLEGATIONS**

9 375. Valve admits that Plaintiffs purport to bring this action on behalf of themselves  
10 and the proposed class defined in paragraph 375.

11 376. Paragraph 376 contains legal conclusions to which no response is required. To the  
12 extent a response is required, Valve denies the allegations in paragraph 376.

13 377. Paragraph 377 contains legal conclusions to which no response is required. To the  
14 extent a response is required, Valve denies the allegations in paragraph 377.

15 378. Valve denies all allegations in paragraph 378.

16 379. Valve admits that it can consult its internal business records to identify  
17 substantially all persons and entities with which it has entered into contracts. Valve denies the  
18 remaining allegations in paragraph 379.

19 380. Paragraph 380 and subparagraphs (a) through (m) contain legal conclusions to  
20 which no response is required. To the extent a response is required, Valve denies the allegations  
21 in paragraph 380.

22 381. Paragraph 381 contains legal conclusions to which no response is required. To the  
23 extent a response is required, Valve denies the allegations in paragraph 381.

24 382. Paragraph 382 contains legal conclusions to which no response is required. To the  
25 extent a response is required, Valve denies the allegations in Paragraph 382.

26

1 383. Paragraph 383 contains legal conclusions to which no response is required. To the  
2 extent a response is required, Valve denies the allegations in paragraph 383.

3 384. Paragraph 384 contains legal conclusions to which no response is required. To the  
4 extent a response is required, Valve denies the allegations in paragraph 384.

5 385. Paragraph 385 contains legal conclusions to which no response is required. To the  
6 extent a response is required, Valve denies the allegations in paragraph 385.

7 386. Paragraph 386 contains legal conclusions to which no response is required. To the  
8 extent a response is required, Valve denies the allegations in paragraph 386.

9 387. Paragraph 387 contains legal conclusions to which no response is required. To the  
10 extent a response is required, Valve denies the allegations in paragraph 387.

11 388. Paragraph 388 contains legal conclusions to which no response is required. To the  
12 extent a response is required, Valve denies the allegations in paragraph 388.

13 **CLAIMS FOR RELIEF**

14 **COUNT ONE**

15 **Illegal Monopoly Maintenance in Violation of 15 U.S.C. § 2**

16 389. Valve incorporates its answers to the preceding paragraphs as if fully set forth in  
17 this paragraph.

18 390. Valve denies all allegations in paragraph 390.

19 391. Valve denies all allegations in paragraph 391.

20 392. Valve denies all allegations in paragraph 392.

21 393. Valve denies all allegations in paragraph 393.

22 394. Valve denies all allegations in paragraph 394.

23 395. Valve denies all allegations in paragraph 395.

24 396. Valve denies all allegations in paragraph 396.

25 397. Valve denies all allegations in paragraph 397.

26

1 398. Valve denies all allegations in paragraph 398.

2 399. Valve denies all allegations in paragraph 399.

3 400. Valve denies all allegations in paragraph 400.

4 401. Valve denies all allegations in paragraph 401.

5 402. Valve denies all allegations in paragraph 402.

6 403. Valve denies all allegations in paragraph 403.

7 **COUNT TWO**

8 **Illegal Attempted Monopolization in Violation of 15 U.S.C. § 2**

9 404. Valve incorporates its answers to the preceding paragraphs as if fully set forth in  
10 this paragraph.

11 405. Valve denies all allegations in paragraph 405.

12 406. Valve denies all allegations in paragraph 406.

13 407. Valve denies all allegations in paragraph 407.

14 408. Valve denies all allegations in paragraph 408.

15 409. Valve denies all allegations in paragraph 409.

16 410. Valve denies all allegations in paragraph 410.

17 411. Valve denies all allegations in paragraph 411.

18 412. Valve denies all allegations in paragraph 412.

19 413. Valve denies all allegations in paragraph 413.

20 414. Valve denies all allegations in paragraph 414.

21 415. Valve denies all allegations in paragraph 415.

22 **COUNT THREE**

23 **Anticompetitive Course of Conduct in Violation of 15 U.S.C. § 1**

24 416. Valve incorporates its answers to the preceding paragraphs as if fully set forth in  
25 this paragraph.

26 417. Valve denies all allegations in paragraph 417.

1 418. Valve denies all allegations in paragraph 418.

2 419. Valve denies all allegations in paragraph 419.

3 420. Valve denies all allegations in paragraph 420.

4 421. Valve denies all allegations in paragraph 421.

5 422. Valve denies all allegations in paragraph 422.

6 423. Valve denies all allegations in paragraph 423.

7 424. Valve denies all allegations in paragraph 424.

8 **COUNT FOUR**

9 **Violation of Washington Consumer Protection Act (RCW 19.86)**

10 425. Valve incorporates its answers to the preceding paragraphs as if fully set forth in  
11 this paragraph.

12 426. Valve denies all allegations in paragraph 426.

13 427. Valve denies all allegations in paragraph 427.

14 428. Valve denies all allegations in paragraph 428.

15 429. Valve denies all allegations in paragraph 429.

16 430. Valve denies all allegations in paragraph 430.

17 431. Valve denies all allegations in paragraph 431.

18 432. Valve denies all allegations in paragraph 432.

19 433. Valve denies all allegations in paragraph 433.

20 434. Valve denies all allegations in paragraph 434.

21 435. Valve denies all allegations in paragraph 435.

22 436. Valve denies all allegations in paragraph 436.

23 **PRAYER FOR RELIEF**

24 437. Valve denies that Plaintiffs are entitled to any relief whatsoever from Valve and  
25 further denies all allegations contained in the section of Plaintiffs' Consolidated Amended Class  
26 Action Complaint titled "Prayer for Relief."

1 **AFFIRMATIVE DEFENSES**

2 For its affirmative defenses to Plaintiffs’ Consolidated Amended Class Action  
3 Complaint, Valve alleges as follows:

4 **FIRST AFFIRMATIVE DEFENSE**

5 Plaintiffs’ claims are barred, in whole or in part, because Plaintiffs have failed to take all  
6 necessary, reasonable, and appropriate actions to mitigate their alleged damages, if any.  
7 Plaintiffs, through the exercise of reasonable diligence, could have mitigated their alleged  
8 damages by seeking out other distribution channels for their games or more aggressively  
9 marketing their games through self-distribution and on other platforms, including but not limited  
10 to the other platforms Plaintiffs identify in the Complaint, and—at least as to Dark Catt—by  
11 refraining from the review manipulation as stated in Valve’s Second Affirmative Defense.  
12 Alternatively, any damages sustained by Plaintiffs, which Valve denies, must be reduced by the  
13 amount that such damages would have been reduced had Plaintiffs exercised reasonable  
14 diligence in mitigating their damages.

15 **SECOND AFFIRMATIVE DEFENSE**

16 Plaintiffs’ claims are barred, in whole or in part, by the doctrine of unclean hands. While  
17 Dark Catt alleges it was banned from Steam after offering a game for sale at a lower price  
18 outside of Steam, Dark Catt was in fact banned from Steam for engaging in review manipulation.  
19 Dark Catt’s review manipulation, which was a clear violation of Steam’s policies, included  
20 without limitation at least four glowing reviews of Dark Catt’s own game that Dark Catt posted  
21 in an attempt to mislead the public and boost sales.

22 **THIRD AFFIRMATIVE DEFENSE**

23 Plaintiffs’ claims are barred, in whole or in part, by the applicable four-year statutes of  
24 limitations. *See* 15 U.S.C. § 15b and RCW 19.86.120. Plaintiffs’ and class members’ alleged  
25 injuries may, in whole or in part, be attributed to alleged anticompetitive conduct of Valve,  
26 which Valve denies, before January 28, 2017. Plaintiffs and class members with such claims may

1 still be within the Complaint’s class definition if they contracted with Valve on or after January  
2 28, 2017, Complaint ¶ 375, yet their claims may be barred in whole or in part because they arise  
3 from alleged conduct and events that occurred before January 28, 2017 and therefore may fall  
4 outside the applicable limitations periods.

5 FOURTH AFFIRMATIVE DEFENSE

6 Plaintiffs’ claims are barred, in whole or in part, because any alleged injury or damages  
7 that Plaintiffs may have suffered, which Valve denies, were not caused by Valve but are losses  
8 attributable to the consequences of Dark Catt’s misconduct as stated in Valve’s Second  
9 Affirmative Defense, as well as to changes in competitive conditions and the demand for  
10 Plaintiffs’ games.

11 FIFTH AFFIRMATIVE DEFENSE

12 Plaintiffs are not entitled to injunctive relief as they have an adequate remedy at law.

13 SIXTH AFFIRMATIVE DEFENSE

14 The claims alleged in the Complaint may not be properly maintained or certified as a  
15 class action, because even if Plaintiffs stated claims for violations of sections 1 and 2 of the  
16 Sherman Act, 15 U.S.C. §§ 1, 2, and the Washington Consumer Protection Act, RCW 19.86, the  
17 proposed class fails to satisfy the requirements of numerosity, commonality, typicality, and  
18 adequacy of representation of Fed. R. Civ. P. 23(a), or the requirements of Fed. R. Civ. P. 23(b),  
19 and Dark Catt’s misconduct described in Valve’s Second Affirmative Defense establishes that  
20 Plaintiffs are neither fair nor adequate representatives of the proposed class.

21 SEVENTH AFFIRMATIVE DEFENSE

22 Plaintiffs’ claims are barred, in whole or in part, insofar as Plaintiffs make claims or seek  
23 remedies that conflict with, are barred by, or are waived by the terms of Plaintiff’s agreements  
24 with Valve, including without limitation by reason of Dark Catt’s misconduct described in  
25 Valve’s Second Affirmative Defense.

1 EIGHTH AFFIRMATIVE DEFENSE

2 Plaintiffs' claims are barred, in whole or in part, insofar as Valve's freedom to contract  
3 would be infringed were the Court to enforce a judgment against it.

4 NINTH AFFIRMATIVE DEFENSE

5 Plaintiffs' claims are barred, in whole or in part, because Valve's revenue sharing  
6 percentage is commensurate with Steam's value to game publishers.

7 TENTH AFFIRMATIVE DEFENSE

8 Plaintiffs' claims are barred, in whole or in part, because Valve has no duty to deal. As  
9 long as Valve has a valid business reason for the terms it attaches to its Steam Keys, which it  
10 does, those terms are not unlawful.

11 JURY DEMAND

12 Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Valve demands a trial by  
13 jury of all claims and issues so triable.

14 PRAYER FOR RELIEF

15 WHEREFORE, having fully answered Plaintiffs' Consolidated Amended Class Action  
16 Complaint, Valve prays for the following relief:

- 17 A. An order dismissing Plaintiffs' Consolidated Amended Class Action Complaint  
18 against Valve with prejudice;
- 19 B. An award of all its attorneys' fees and costs to the extent permitted by law; and
- 20 C. For such other and further relief as this Court deems just and equitable.

1 DATED this 23rd day of September, 2022.

2 **FOX ROTHSCHILD, LLP**

3  
4 By *s/ Gavin W. Skok*

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25 \_\_\_\_\_  
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Attorneys for Defendant Valve Corporation



**CERTIFICATE OF SERVICE**

I certify that I am a secretary at the law firm of Fox Rothschild LLP in Seattle, Washington. I am a U.S. citizen over the age of eighteen years and not a party to the within cause. On the date shown below, I caused to be served a true and correct copy of the foregoing on counsel of record for all other parties to this action as indicated below:

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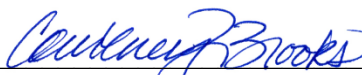
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*Executive Committee*

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

EXECUTED this 23rd day of September, 2022, in Seattle, Washington.

  
 Courtney R. Brooks