

The Take-Two Interactive v. Pinkerton Showdown Has Ended in a Draw

April 24, 2019 – The TMCA

by Ryan Meyer



One year ago, I [wrote a post about the Lohan v. Take-Two Interactive case](#) in which Lindsay Lohan thought she recognized her image in Take-Two's Grand Theft Auto V ("GTAV") video game. Many people who notice that they resemble a character in a game populated by drug dealers, gangsters, and prostitutes would tell no one and immediately give themselves a makeover. Ms. Lohan, however, filed a complaint against Take-Two for allegedly violating her publicity rights. Unfortunately for Ms. Lohan, the court found that the accused images were too generic and dismissed the complaint. Even though Take-Two prevailed against Ms. Lohan, that lawsuit might have caused Take-Two

to be even more mindful about its character design. But surely, surely Take-Two would be safe to use a historic, old-timey, 169-year old company in a game about cowboys in the Old West, right?

Not so fast there, pardner! Not when that old-timey company is the Pinkerton Detective Agency, and not when the game is the mega-successful, multi-award winning Red Dead Redemption 2 ("RDR2")! It seems that Pinkerton didn't cotton to that no-good Take-Two using its detectives as villains hunting down the player and the rest of his lily-livered gang of outlaws. With a motto like "We Never Sleep," one could hardly expect Pinkerton to ignore casual unauthorized use of its federally- registered trademarks (Reg. Nos. 3,773,594; 1,780,710; 1,778,207; 2,450,925; 887,265; and 546,426). So, on December

Related Capabilities

- Trademark, Copyright + Advertising
- Intellectual Property Litigation

13, 2018, Pinkerton sent a cease-and-desist letter (perhaps by Pony Express or telegraph?) to Take-Two and its co-developer, Rockstar Games, accusing them of trademark infringement and unfair competition. Pinkerton demanded to be paid a royalty, claiming that RDR2's use of Pinkerton "creates the false impression that the game originates from [Pinkerton] or that [Pinkerton is] somehow connected to or associated with Rockstar Games in a way that deceives customers or causes confusion or mistake."

The reader's first reaction is probably, "Wait, Pinkerton still exists?" And, for those readers who aren't familiar with Pinkerton or RDR2, their next reaction is probably, "How is it that the detectives hunting down the outlaws are the villains?" Well, life, and RDR2, are a rich, complicated tapestry. The Pinkerton of today is a private security service, but, as one might recall from high school history class, the Pinkerton Detective Agency was originally founded in 1850 by Allen Pinkerton to assist law enforcement. Over time, rightly or wrongly, they developed a complex reputation. On the one hand, they helped track down vicious Wild West outlaws and saved President Abraham Lincoln from assassination in 1861. On the other hand, their agents were involved with aggressive strike-breaking activities for wealthy industrialists in the late 1800s and early 1900s. For whatever reason, Pinkerton agents ended up being used as the bad guys in a game about the Old West.



In response to Pinkerton's cease-and-desist letter, Take-Two and Rockstar got all fired up, filed a complaint against Pinkerton and prepared for a legal shootout. Considering that RDR2 made \$725 million in sales in its first three days and their previous game GTAV has made over \$6 billion in revenue, they probably had abundant ammo.

The complaint sought a declaratory judgment that use of the Pinkerton characters in RDR2 is protected by the First Amendment and fair use and does not infringe Pinkerton's trademark rights. Take-Two and Rockstar argued that Pinkerton's claims "ignore well-established First Amendment principles that protective expressive works, like *Red Dead 2*, from exactly the types of claims that Defendants have lodged against Plaintiffs." Complaint, ¶ 1. They further explained that, "[p]ut simply, Defendants cannot use trademark law to own the past and prevent creators from including historical references to Pinkerton agents in depictions of the American West." *Id.* Moreover, "because of their centrality in the zeitgeist of the American West, Pinkerton agents have long been a staple in works of historical fiction about the Wild West." *Id.*, ¶ 4.

Then, just a few months later on April 11, 2019, Take-Two and Rockstar voluntarily dismissed their case, stating that Pinkerton withdrew its claims against RDR2, which could be viewed as a win for Take-Two and Rockstar. But why in tarnation did Pinkerton withdraw its claims so quickly? Did the game companies pony up some confidential settlement money, or did Pinkerton have second thoughts? Did Take-Two and Rockstar

call Pinkerton's bluff? For now, all we can do is wonder and watch as the parties gallop off into the sunset.

Had this litigation continued, we might have received fresh guidance from the Second Circuit about the balance between the First Amendment and fair use and trademark infringement. A quick review of Second Circuit and Southern District of New York case law regarding trademark infringement and the First Amendment suggests that Pinkerton might have had a difficult time proving its claims. Even though RDR2 may have literally used Pinkerton's name and badge, it would be difficult for Pinkerton to prove that someone buying the game would think that Pinkerton was responsible for, or involved with, or had granted a license to use its marks in the game, especially since the Pinkerton agents are portrayed as villains. Moreover, courts in the Second Circuit have already stated that, "[a]s a general rule, one may write fiction about virtually *any* topic, involving *any* public or private organization, corporation, or person so long as it is not defamatory." *Girl Scouts of the United States v. Bantam Doubleday Dell Publ. Group, Inc.*, 808 F. Supp. 1112, 1120 (S.D.N.Y. 1992) (emphasis in original). Since Pinkerton does not appear to have alleged defamation, it would be hard-pressed to overcome this general rule. If Take-Two and Rockstar had used the Pinkerton agents in a way that was inconsistent with, and defamatory of the company, this case might have had a different ending. For now, developers of games involving historical fiction can likely maintain the status quo.

As of the time of this post, there is no word regarding whether Lindsay Lohan has either played RDR2 or recognized herself as any of its characters.