

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

AM GENERAL LLC,	:	
	:	
Plaintiff,	:	
	:	<u>MEMORANDUM DECISION</u>
-against-	:	<u>AND ORDER</u>
	:	
ACTIVISION BLIZZARD, INC., ACTIVISION	:	17 Civ. 8644 (GBD)
PUBLISHING, INC., and MAJOR LEAGUE GAMING	:	
CORP.,	:	
	:	
Defendants.	:	
GEORGE B. DANIELS, United States District Judge:	:	

Plaintiff AM General LLC (“AMG”) brings this action against Defendants Activision Blizzard, Inc. and Activision Publishing, Inc. (collectively, “Activision”) and Major League Gaming Corp. (“MLG”) for trademark infringement, trade dress infringement, unfair competition, false designation of origin, false advertising, and dilution under the Lanham Act, 15 U.S.C. §§ 1114, 1125, and 1125(c), respectively. (Compl., ECF No. 1, ¶¶ 82–147.) AMG also raises pendant New York state law claims for trademark infringement, unfair competition, false designation of origin, trade dress infringement, false advertising, and dilution. (*Id.* ¶¶ 148–81.)

On May 31, 2019, Defendants moved for summary judgment on all of AMG’s claims pursuant to Federal Rule of Civil Procedure 56. (Defs. Activision and MLG’s Notice of Mot. for Summ. J., ECF No. 131.) On the same day, Plaintiff moved for partial summary judgment on Defendants’ laches claim pursuant to Federal Rule of Civil Procedure 56(a). (Pl. AMG’s Notice of Mot. for Partial Summ. J., ECF No. 138.) Subsequently, Defendants filed a motion to strike (1) certain portions of Plaintiff’s Rule 56.1 statement of material facts and (2) the “experiment” contained in the rebuttal report of Plaintiff’s expert, Dr. Yoran Wind (“MTS I”). (*See* Mem. of Law of Defs. Activision and MLG’s in Supp. of Their Mot. to Strike Pl. AMG’s Local Rule 56.1

Statement and Wind Rebuttal Report, ECF No. 163.) Shortly thereafter, Defendants filed a motion to strike (1) certain portions of Plaintiff's opposition to Defendants' Rule 56.1 statement of material facts and counterstatement of additional facts, (2) the survey undertaken by Plaintiff's expert, Dr. Wind, and (3) documents submitted by Plaintiff in opposition to Defendants' motion for summary judgment ("MTS II"). (See Mem. of Law in Supp. of Defs. Activision and MLG's Mot. to Strike, ECF No. 194.)

Defendants' motion for summary judgment is GRANTED. Plaintiff's motion for partial summary judgment is DENIED. Defendants' motions to strike are DENIED, except GRANTED in part to strike those documents which were not produced during discovery.<sup>1</sup>

## I. FACTUAL BACKGROUND

### A. The Parties.

In 1983, the U.S. Department of Defense first awarded AMG a contract to build the High Mobility Multipurpose Wheeled Vehicle. (Pl. AMG's Response to Defs. Activision and MLG's Statement of Undisputed Facts and Counterstatement of Additional Facts ("Pl.'s Counter 56.1"), ECF No. 175, ¶ 20.) Since then, the vehicle—known colloquially as the "Humvee"—has been "the backbone of U.S. defense tactical vehicle fleets around the world" and "an essential part of

<sup>1</sup> For reasons stated in Part III(A)(2)(f), *infra*, Defendants' motion to strike portions concerning a letter sent by the Beanstalk Group to Activision in 1998 contained in Plaintiff's opposition to Defendants' Rule 56.1 statement is GRANTED. Beyond that, MTS II is DENIED as to Dr. Wind's survey because any defects that Defendants claim exist in Dr. Wind's report go to the weight of the evidence rather than to its admissibility. See *McCulloch v. H.B. Fuller Co.*, 61 F.3d 1038, 1044 (2d Cir. 1995) (citation omitted) ("Disputes as to the strength of [an expert's] credentials, faults in his use of differential etiology as a methodology, or lack of textual authority for his opinion, go to the weight, not the admissibility, of his testimony."). Finally, MTS II is GRANTED as to certain of the documents submitted by Plaintiff in opposition to Defendants' motion for summary judgment given that Plaintiff never produced such documents during discovery. Indeed, Plaintiff concedes and "asks the Court to strike documents AM General filed in opposition to Activision's motion on the grounds that AM General did not produce them in discovery." (Pl. AMG's Mem. of Law in Opp'n to Defs.' Second Mot. to Strike, ECF No. 206, at 7.)

U.S. military operations.” (Defs. Activision and MLG’s Mem. of Law in Support of Mot. for Summ. J. (“Defs.’ Mem.”), ECF No. 139, at 6 (quoting Pl. AMG’s Statement of Undisputed Material Facts in Support of Pl. AMG’s Mot. for Partial Summ. J., ECF No. 143, ¶ 23).) From Panama to Somalia, and to this day in Iraq and Afghanistan, the Humvee has become an iconic and a ubiquitous symbol of the modern American military. (Defs.’ Mem. at 6; Pl. AMG’s Mem. of Law in Opp’n to Mot. for Summ. J. (“Pl.’s Mem.”), ECF No. 171, at 3.) AMG continues to produce Humvees for the U.S. armed forces and the militaries of over 50 countries. (Compl. ¶¶ 15–16.)

Since the early 1990s, AMG has also granted licenses to other companies to use the Humvee trademark “on or in connection with a wide variety of products,” including toys and at least four video games. (Compl. ¶¶ 25–31.) Humvees have also appeared in a wide variety of other media, including Hollywood blockbusters, such as *Jurassic Park* and *The Avengers*, television series, such as *24*, *The Simpsons*, *The Walking Dead*, and *Long Road Home*, and Academy Award-winning dramas, such as *The Hurt Locker*. (Defs.’ Mem. at 7.) Additionally, a number of video games, manufactured by video game developers other than Defendants, have featured Humvees. (*Id.* at 8.)

*Call of Duty* is one of the “most popular and well-known video game franchises in the world” with over 130 million units sold. (Rule 56.1 Statement of Undisputed Facts in Supp. of Mot. of Defs. Activision and AMG for Summ. J. (“Defs.’ 56.1”), ECF No. 158, ¶ 2.) Indeed, the *Call of Duty* franchise—which is a first-person shooter series developed, produced, and distributed by Activision—is characterized by its realism, cinematic set-pieces, and fast-paced multiplayer mode. (*Id.* ¶¶ 7–10; Compl. ¶¶ 3–4; Defs.’ Mem. at 4–5.) While various consumers play *Call of Duty* from the comfort of their own homes, both through single-player campaigns and in online

multiplayer mode, others compete in tournaments hosted by organizations, such as MLG. (*Id.* at 3; Defs.’ 56.1 ¶ 89.)

**B. Alleged Infringing Conduct: Humvees and *Call of Duty*.**

Humvees are depicted in nine *Call of Duty* games for varying durations. (Pl.’s Mem. at 4; Defs.’ Mem. at 9–10.) In particular, whereas sometimes they appear briefly in the background or are mentioned in passing through dialogue, at other times, players ride in a Humvee for several minutes during a scene or level. (Pl.’s Counter 56.1 ¶¶ 56–62.) Further, at times, the player can even “assum[e] control of the [Humvee],” including by firing a turret-mounted machine gun. (Pl.’s Counter 56.1 ¶ 3.) In certain instances, the player cannot progress to the next level without interacting with the Humvee. (Pl.’ Counter 56.1 ¶ 56.) Humvees are also shown in several trailers for the games and in *Call of Duty*-branded strategy guides. (Defs.’ Mem. at 10–11.) Defendants also licensed a toy company to manufacture *Call of Duty*-branded construction sets, two of which include toy vehicles. (Compl. ¶ 8.) According to AMG, they bear the distinctive elements of the Humvee’s trade dress. (*Id.* ¶¶ 54–55.) Plaintiff asserts that Defendants did not receive authorization from AMG for such uses. (*Id.* ¶ 102.)

As to an instruction manual included inside each disk case for *Call of Duty 4: Modern Warfare*, Activision included the following language:

All title, ownership rights and intellectual property rights in and to this Program (including but not limited to any patches and updates) and any and all copies thereof (including but not limited to any titles, computer code, themes, objects, characters, character names, stories, dialog, catch phrases, locations, concepts, artwork, animation, sounds, musical compositions, audio-visual effects, methods of operation, moral rights, any related documentation, and “applets” incorporation into this Program) are owned by Activision, affiliates of Activision or Activision’s licensors.

(Decl. of Cory D. Struble (“Struble Decl.”), Ex. 118 (*Call of Duty 4: Modern Warfare*), ECF No. 141-10, at AMG0075793.) Similar language appears in comparable sections of the instruction

booklets accompanying *Call of Duty: Modern Warfare 2*, *Call of Duty: Modern Warfare 3*, and *Call of Duty: Black Ops II*. (See Struble Decl., Ex. 119 (*Call of Duty: Modern Warfare 2*), ECF No. 141-11, at AMG0075815; Struble Decl., Ex. 120 (*Call of Duty Modern Warfare 3*), ECF No. 141-12, at AMG0075835; Struble Decl., Ex. 117 (*Call of Duty: Black Ops II*), ECF No. 141-9, at AMG0075777.)

### C. Plaintiff's Letters.

In 1998, the Beanstalk Group—a third-party that served at the time as a licensing agent for AMG—sent a letter<sup>2</sup> to Activision regarding the video game *Sin*, which is unaffiliated with the *Call of Duty* franchise (the “1998 letter”). (Pl.’s Counter 56.1 ¶¶ 53–54.) According to AMG, in the 1998 letter, the Beanstalk Group “complained to Activision about its use of the [Humvee] Trade Dress in a video game called *Sin*.” (*Id.* ¶ 54.) AMG cites the 1998 letter for the proposition that Activision “agreed to remove [Humvee] vehicles from the video game *Sin*.” (*Id.* ¶ 55.)

On or about June 20, 2016, counsel for Global Icons, LLC—an outside licensing agency contracted by AMG—sent a cease-and-desist letter to Defendants objecting to the appearances of Humvees in *Call of Duty* games and toys. (Compl. ¶¶ 78–79.) Shortly thereafter, on November 4, 2016, Defendants released *Call of Duty: Modern Warfare Remastered*, which included scenes with Humvees. (Pl.’s Counter 56.1 ¶ 5.) Subsequently, AMG initiated this action on November 7, 2017. (See Compl.)

## II. LEGAL STANDARDS

Summary judgment is appropriate when there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. *See* Fed. R. Civ. P. 56(a). “An issue of

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<sup>2</sup> The 1998 letter, which includes a purported conversation between a representative from Beanstalk Group and a representative from Activision, is under seal with this Court. (See Struble Decl., Ex. 121 (1998 Letter), ECF No. 141-13.)

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