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11 **IN THE UNITED STATES DISTRICT COURT**  
 12 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

11 INTERPLAY ENTERTAINMENT	)	Case No.: CV 10-7168-DMG (JCGx)
12 CORP.,		)
13 Plaintiff,	)	
14 vs.	)	ORDER GRANTING PRELIMINARY
15 TOPWARE INTERACTIVE, INC., and	)	INJUNCTION
16 Does 1-20,	)	
17 Defendants.	)	Cc:FISCAL

18  
 19 This matter is before the Court on Plaintiff’s *Ex Parte* Application for  
 20 Temporary Restraining Order (“TRO”) and Order to Show Cause re Preliminary  
 21 Injunction (“*Ex Parte* Application”). For the reasons set forth below,  
 22 the Motion for Preliminary Injunction is GRANTED.

23 **I.**

24 **PROCEDURAL BACKGROUND**

25 On September 24, 2010, Plaintiff Interplay Entertainment (“Interplay”) filed  
 26 a complaint against Defendant TopWare Interactive, Inc. (“TopWare”) and Doe  
 27 defendants 1 through 10, asserting causes of action for trademark infringement  
 28 under the Lanham Act, 15 U.S.C. § 1114, and unfair competition under

1 California's Unfair Competition Law, Cal. Bus. & Prof. Code § 17200 *et seq.*  
2 Interplay filed the *Ex Parte* Application on October 4, 2010. On October 7, 2010,  
3 the Court granted Interplay's *Ex Parte* Application and issued the TRO, which  
4 became effective upon Interplay's posting a corporate security bond in the amount  
5 of \$15,000. Interplay served TopWare with the TRO on October 8, 2010.  
6 Interplay obtained the required bond and filed it on October 13, 2010.

7 On October 21, 2010, the Court held a hearing on its Order to Show Cause  
8 Why a Preliminary Injunction should not issue. TopWare did not file a written  
9 opposition and did not appear at the hearing. Following discussions with Plaintiff's  
10 counsel, who attended the hearing, the Court grants the Preliminary Injunction for  
11 the same reasons set forth in its Order re TRO, as set forth more fully herein.

## 12 II.

### 13 FACTUAL BACKGROUND

14 For more than 25 years, Interplay has developed and published video game  
15 software for personal computers and gaming consoles. Interplay is responsible for  
16 many successful video game series, including Fallout, Earthworm Jim, Baldur's  
17 Gate, Clayfighter, Descent, and, at issue here, *Battle Chess*. TopWare is also a  
18 video game developer and publisher and is an affiliate or subsidiary of Zuxxez  
19 Entertainment AG. Both TopWare and Zuxxez are Interplay's competitors. (Caen  
20 Decl. ¶ 2.)

21 The *Battle Chess* series of video games is an original property that Interplay  
22 developed. The original *Battle Chess*, released in 1988, is a computerized chess  
23 game with a fantasy theme. Its basic concept is to have computer animated chess  
24 pieces carry out a player's moves by stalking across the chess board to engage in  
25 animated combat. Interplay has published two sequels, *Battle Chess: Chinese*  
26 *Chess* and *Battle Chess: 4000*, as well as several multi-game collections using  
27 various combinations of the titles. Interplay's successful development and  
28 promotion of *Battle Chess* video games for more than two decades has caused

1 *Battle Chess* to become a valuable property. Interplay has sold *Battle Chess*  
2 through both online and traditional brick-and-mortar retailers. Interplay is  
3 currently developing an updated version of *Battle Chess*, which it expects to  
4 release in 2011. (*Id.* ¶ 3.)

5 Interplay has registered the trademark *Battle Chess* with the United States  
6 Patent and Trade Office, which has assigned the mark registration number  
7 3,519,455. (*Id.*, Ex. 1.) Interplay has continuously sold *Battle Chess* and its  
8 sequels and compilations and has not abandoned the *Battle Chess* mark. Interplay  
9 has sold thousands of copies of *Battle Chess* games. The purchasing public has  
10 come to associate the *Battle Chess* mark with Interplay. (*Id.* ¶ 4.)

11 On or around June 8, 2010, Interplay learned that TopWare had launched a  
12 website promoting a chess video game that TopWare was developing called *Battle*  
13 *vs. Chess*. The website's address is [www.battlevschess.com](http://www.battlevschess.com). (*Id.* ¶ 5, Ex. 2.)  
14 Based on announcements and promotional material released by TopWare, its  
15 parent company, and its distributors, Interplay believes that TopWare's chess video  
16 game will have a nearly identical concept as Interplay's *Battle Chess*, featuring  
17 fantasy-themed animated chess pieces battling to capture squares on a chess board.  
18 Interplay believes that TopWare will sell *Battle vs. Chess* to the same target  
19 customers—video gamers, particularly strategy game and chess enthusiasts—  
20 through the same distribution channels as *Battle Chess*. (*Id.* ¶ 7.)

21 After learning of *Battle vs. Chess*, Interplay wrote to TopWare on June 9,  
22 2010 to express its concerns regarding the *Battle vs. Chess* title. (*Id.* ¶ 8, Ex. 4.)  
23 Interplay alerted TopWare to the existence of the protected *Battle Chess* mark and  
24 requested that TopWare discontinue use of the *Battle vs. Chess* trademark in  
25 association with its fantasy chess video games. (*Id.* ¶ 8.)

26 TopWare, through its managing director, responded that it would continue to  
27 use the *Battle vs. Chess* mark but wished to “discuss” the issue. Interplay believes  
28 that TopWare has licensed third parties, including SouthPeak Interactive

1 Corporation, to publish and distribute *Battle vs. Chess* in the United States market.  
2 TopWare also lists its video game for pre-order sales through major retailers,  
3 including Target, Best Buy, GameStop, and others. (*Id.* ¶ 9, Ex. 5.)

4 TopWare has changed its release date at least four times. (*Id.* ¶ 12.) On  
5 September 2, 2010, SouthPeak, issued a press release announcing that *Battle vs.*  
6 *Chess* would be released commercially on September 28, 2010. (*Id.* ¶ 10.) On  
7 September 3, 2010, Interplay again wrote to TopWare demanding that it cease and  
8 desist its use of the *Battle vs. Chess* mark. (*Id.* ¶ 11, Ex. 6.) Throughout August  
9 and September 2010, the parties negotiated over use of the *Battle Chess* mark. At  
10 one point, Interplay believed that it had reached an agreement with TopWare to  
11 end the dispute. This agreement, however, was never consummated. (*Id.* ¶ 11.) As  
12 of October 4, 2010, the ship date for *Battle vs. Chess* listed on various retailers’  
13 websites is October 26, 2010. (*Id.* ¶ 12, Ex. 7.) Video game companies typically  
14 manufacture physical copies of video game discs and packaging approximately  
15 two weeks prior to the release date. (*Id.* ¶ 13.)

16 Fantasy-themed chess games are a niche market. Consumers buying *Battle*  
17 *vs. Chess* will likely be diverted from buying Interplay’s original *Battle Chess*  
18 games or soon-to-be-released *Battle Chess* sequel. TopWare’s *Battle vs. Chess* is  
19 currently listed for sale between \$20 and \$40. The “retro” versions of Interplay’s  
20 *Battle Chess* lineup generally sell for around \$6. Interplay has not yet set the price  
21 for its forthcoming *Battle Chess* game. (*Id.* ¶ 14.)

22 Interplay has no control over the content or quality of *Battle vs. Chess*.  
23 TopWare does not have a license to use Interplay’s *Battle Chess* mark and has  
24 never sought approval to use any game design, artwork, software code, packaging  
25 or advertising with Interplay’s mark. (*Id.* ¶ 15.)

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**III.**

**LEGAL STANDARD**

Federal Rule of Civil Procedure 65 governs the issuance of preliminary injunctions. The purpose of such injunctive relief is to preserve the rights and relative positions of the parties, i.e., the status quo, until a final judgment issues. *See U.S. Philips Corp. v. KBC Bank N.V.*, 590 F.3d 1091, 1094 (9th Cir. 2010) (citing *Univ. of Tex. v. Camenisch*, 451 U.S. 390, 395, 101 S.Ct. 1830, 68 L.Ed.2d 175 (1981)). An injunction is an exercise of a court’s equitable authority, which should not be invoked as a matter of course, and “only after taking into account all of the circumstances that bear on the need for prospective relief.” *Salazar v. Buono*, \_\_\_ U.S. \_\_\_, 130 S.Ct. 1803, 1816, 176 L.Ed.2d 634 (2010). A plaintiff seeking injunctive relief must show that (1) it is likely to succeed on the merits; (2) it is likely to suffer irreparable harm in the absence of preliminary relief; (3) the balance of equities tips in its favor; and (4) that an injunction is in the public interest. *Toyo Tire Holdings Of Ams. Inc. v. Cont’l Tire N. Am., Inc.*, 609 F.3d 975, 982 (9th Cir. 2010) (citing *Winter v. Natural Res. Def. Council, Inc.*, \_\_\_ U.S. \_\_\_, 129 S.Ct. 365, 374, 172 L.Ed.2d 249 (2008)). An injunction may be appropriate when a plaintiff raises “serious questions going to the merits” and demonstrates that “the balance of hardships tips sharply in the plaintiff’s favor.” *Alliance For Wild Rockies v. Cottrell*, \_\_\_ F.3d \_\_\_, 2010 WL 3665149, at \*8 (9th Cir. Sept. 22, 2010) (quoting *The Lands Council v. McNair*, 537 F.3d 981, 987 (9th Cir. 2008)).

**IV.**

**DISCUSSION**

**A. Interplay Demonstrates A Likelihood Of Success On The Merits**

In claims for trademark infringement under 15 U.S.C. § 1115, “the critical determination is ‘whether an alleged trademark infringer’s use of a mark creates a

1 likelihood that the consuming public will be confused as to who makes what  
2 product.” *Jada Toys, Inc. v. Mattel, Inc.*, 518 F.3d 628, 632 (9th Cir. 2008)  
3 (quoting *Brother Records, Inc. v. Jardine*, 318 F.3d 900, 908 (9th Cir. 2003))  
4 (internal quotation marks omitted). To evaluate whether the use of a mark is likely  
5 to confuse consumers, courts consider eight non-exhaustive factors (the “*Sleekcraft*  
6 factors”) whose relative importance will vary from case to case: “(1) the similarity  
7 of the marks; (2) the strength of the plaintiff’s mark; (3) the proximity or  
8 relatedness of the goods or services; (4) the defendant’s intent in selecting the  
9 mark; (5) evidence of actual confusion; (6) the marketing channels used; (7) the  
10 likelihood of expansion into other markets; and (8) the degree of care likely to be  
11 exercised by purchasers of the defendant’s product.” *Fortune Dynamic, Inc. v.*  
12 *Victoria’s Secret Stores Brand Mgmt., Inc.*, \_\_ F.3d \_\_, 2010 WL 3258703, at \*2  
13 (9th Cir. Aug. 19, 2010) (citing *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-  
14 49 (9th Cir. 1979)). The inquiry may proceed in any order and a court need not  
15 address every factor. *One Indus., LLC v. Jim O’Neal Distrib., Inc.*, 578 F.3d 1154,  
16 1162 (9th Cir. 2009), *cert. denied*, 130 S.Ct. 1739, 176 L.Ed.2d 213 (2010).

### 17 **1. Similarity Of The Marks**

18 The marks at issue are highly similar. TopWare’s mark is identical to  
19 Interplay’s mark but for the insertion of the abbreviated word “vs.” in between the  
20 words “Battle” and “Chess.” The concept of “vs.,” however, already inheres in the  
21 word “battle” and does not distinguish TopWare’s mark from *Battle Chess*. See  
22 *Twentieth Century Fox Film Corp. v. Marvel Enters., Inc.*, 220 F. Supp. 2d 289,  
23 295 (S.D.N.Y. 2002) (“[T]he addition of descriptive terms does not alter a  
24 trademark such that a new mark is created.”). In addition, the two marks look  
25 strikingly similar. Both use an “Old English” font style and the words “Battle” and  
26 “Chess” appear prominently in similar places. The “vs.” in TopWare’s mark is de-  
27 emphasized by its incorporation into sword artwork.

1           **2. Proximity Of The Goods**

2           The second *Sleekcraft* factor assesses whether the goods at issue are related  
3 or complementary. “Where the goods are related or complementary, the danger of  
4 confusion is heightened.” *M2 Software, Inc. v. Madacy Entm’t*, 421 F.3d 1073,  
5 1082 (9th Cir. 2005). Here, the two games are such close substitutes that they  
6 “would be reasonably thought by the buying public to come from the same source  
7 if sold under the same mark.” *Au-Tomotive Gold, Inc. v. Volkswagen of Am., Inc.*,  
8 457 F.3d 1062, 1076 n.10 (9th Cir. 2006) (quoting *Sleekcraft*, 599 F.2d at 348  
9 n.10). Both *Battle Chess* and *Battle vs. Chess* are fantasy-themed games featuring  
10 duels between chess pieces. Courts have found relatedness in cases involving far  
11 more diverse products. *See, e.g., M2 Software*, 421 F.3d at 1082 (affirming  
12 finding that websites distributing audio CDs and music downloads were related  
13 notwithstanding that the music genres were “very significantly different”). The  
14 products at issue here are extremely related.

15           **3. Marketing Channels Used**

16           Both Interplay and TopWare distribute their products through the same types  
17 of marketing channels for use on the same video game platforms. Consequently,  
18 this factor also weighs toward a likelihood of consumer confusion.

19           **4. Strength Of Interplay’s Mark**

20           The set of factors discussed *supra* “constitutes the most crucial body of the  
21 *Sleekcraft* analysis, and, in this case, . . . suggests that confusion is indeed likely.”  
22 *GoTo.com, Inc. v. Walt Disney Co.*, 202 F.3d 1199, 1207 (9th Cir. 2000). Other  
23 factors also weigh toward finding consumer confusion.

24           Interplay has a relatively strong mark. Generally, “the more unique or  
25 arbitrary a mark, the more protection a court will afford it.” *Visa Int’l Serv. Ass’n*  
26 *v. JSL Corp.*, 610 F.3d 1088, 1090 (9th Cir. 2010). In determining a mark’s  
27 strength, “it is the mark in its entirety that must be considered—not simply  
28 individual elements of that mark.” *GoTo.com*, 202 F.3d at 1207. While “battle”

1 and “chess” are both common English words, the combination of the two is not.  
2 Moreover, *Battle Chess* has been in use for more than twenty years, sold thousands  
3 of copies, and spawned multiple sequels. Thus, this factor also suggests a  
4 likelihood of confusion.

##### 5 **5. Degree Of Care Likely To Be Exercised By Consumers**

6 The Court also considers the degree of care that consumers are apt to  
7 exercise when selecting *Battle Chess* or *Battle vs. Chess*. “[W]hen dealing with  
8 inexpensive products, customers are likely to exercise less care, thus making  
9 confusion more likely.” *Brookfield Commc’ns, Inc. v. W. Coast Entm’t Corp.*, 174  
10 F.3d 1036, 1060 (9th Cir. 1999). Here, TopWare’s product sells for approximately  
11 \$20 to \$40 and the “retro” version of Interplay’s product sells for approximately  
12 \$6. The differential in pricing, while not vast, could make a difference to the  
13 discerning consumer. Therefore, the Court does not find that this particular factor  
14 necessarily militates toward a finding of confusion.

15 The Court finds that the above-enumerated factors are the most relevant in  
16 the likelihood of confusion analysis. Other factors, such as the defendant’s intent  
17 in selecting the mark and evidence of actual confusion, are less helpful at this very  
18 early stage of the litigation prior to discovery and before TopWare has had an  
19 opportunity to respond. “[O]nly a subset of the *Sleekcraft* factors are needed to  
20 reach a conclusion as to whether there is a likelihood of confusion.” *GoTo.com*,  
21 202 F.3d at 1206.

22 On balance, the most relevant *Sleekcraft* factors suggest that consumers will  
23 be confused between *Battle Chess* and *Battle vs. Chess*. Therefore, the Court finds  
24 that Interplay has established a likelihood of success on the merits of its Lanham  
25 Act cause of action for trademark infringement.

##### 26 **B. Interplay Demonstrates A Likelihood Of Irreparable Harm**

27 Interplay also appears likely to suffer irreparable injury absent an injunction.  
28 Irreparable injury may be presumed in a trademark infringement claim from a



1 showing of likelihood of success on the merits. *Marlyn Nutraceuticals, Inc. v.*  
2 *Mucos Pharma GmbH & Co.*, 571 F.3d 873, 877 (9th Cir. 2009). Any negative  
3 consumer reaction to *Battle vs. Chess* will undoubtedly cause irreparable harm to  
4 the public image of Interplay’s *Battle Chess* line of products. The harm will be  
5 especially acute because Interplay has a new version of its *Battle Chess* game that  
6 it expects to release sometime next year and this litigation is unlikely to be  
7 resolved before then.

8 **C. The Balance Of Hardships Favors Interplay**

9 The balance of equities tips in favor of Interplay. Any potential harm to  
10 TopWare can be ameliorated through the bond that Interplay will post. Interplay,  
11 on the other hand, is unlikely to avoid injury absent an injunction.

12 The Court is cognizant that an injunction against TopWare may have the  
13 effect of delaying the release of its computer game. Nonetheless, “[t]rademark  
14 protection is not lost simply because the allegedly infringing use is in connection  
15 with a work of artistic expression.” *Dr. Seuss Enters., L.P. v. Penguin Books USA,*  
16 *Inc.*, 109 F.3d 1394, 1403 n.11 (9th Cir. 1997) (quoting *Silverman v. CBS, Inc.*,  
17 870 F.2d 40, 49 (2d. Cir. 1989)). Thus, an injunction, even one that prevents  
18 TopWare from releasing an artistic endeavor, does not constitute a prior restraint in  
19 violation of the First Amendment’s free speech guarantee because the Lanham  
20 Act’s prohibitions are content neutral. *See id.*

21 **D. An Injunction Is In The Public Interest**

22 Finally, the Court must consider the public interest. Here, the minimal  
23 public interest in seeing *Battle vs. Chess* released does not outweigh the “public  
24 interest in protecting trademarks generally.” *Brookfield Commc’ns*, 174 F.3d at  
25 1066; *see also State of Idaho Potato Comm’n v. G & T Terminal Packaging, Inc.*,  
26 425 F.3d 708, 715 (9th Cir. 2005) (“Trademarks protect the public from confusion  
27 by accurately indicating the source of a product. They preserve a producer’s good  
28 will ‘in order that the purchasing public may not be enticed into buying A’s

1 product when it wants B's product.'" (quoting *Idaho Potato Comm'n v. M & M*  
2 *Produce Farm & Sales*, 335 F.3d 130, 138 (2d Cir. 2003)).

3 Consequently, the Court finds that a Preliminary Injunction is appropriate.

4 V.

5 **CONCLUSION**

6 In light of the foregoing, it is hereby ORDERED that:

7 1. Pending trial of this action Defendant TopWare Interactive, Inc., its  
8 officers, agents, employees, affiliated companies, and those in active concert  
9 or participation with them, ARE HEREBY ENJOINED FROM:

10 a. Advertising, manufacturing, selling, and distributing video  
11 game software which contains "BATTLE CHESS" in any  
12 typographical format and phrase, including "*Battle vs. Chess*";

13 b. Promoting or selling such goods and services on Internet  
14 websites, including but not limited to [www.battlevschess.com](http://www.battlevschess.com),  
15 [www.topware.com](http://www.topware.com), [www.southpeakgames.com](http://www.southpeakgames.com), and retail websites;  
16 and

17 c. Registering or attempting to register "*Battle vs. Chess*" or any  
18 confusingly similar designations, as a mark, business name, domain  
19 name, e-mail address, meta-tag or otherwise; and,

20 2. The above Preliminary Injunction shall become effective immediately  
21 on all persons who have actual knowledge of this Order and no additional  
22 security shall be required beyond the corporate security bond in the amount  
23 of \$15,000 previously posted by Interplay.

24 IT IS SO ORDERED.

25  
26 DATE: November 2, 2010



27 DOLLY M. GEE  
28 UNITED STATES DISTRICT JUDGE