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ADVERTISING

Wary of Infringing Rival Games, Take-Two Calls Up Football's Golden Oldies

By JANE L. LEVERE

TAKE-TWO Interactive Software, the video game company best known for its popular (and violent) Grand Theft Auto franchise, has found a clever way to get back into the lucrative business of publishing football-oriented games.

Until three years ago, Take-Two put out a popular series called NFL 2K, which featured big-name players in the league. It sold well, though not nearly as well as the leading football video game, Madden NFL, which was owned by Take-Two's top rival, Electronic Arts.

But the dynamics changed late in 2004, when Electronic Arts entered into an exclusive, five-year agreement with the National Football League and Players Inc., the licensing and marketing subsidiary of the N.F.L. Players Association, to develop, publish and distribute football video games. The pact ended the ability of Take-Two to feature current N.F.L. players in its games.

Rather than admitting defeat, Take-Two fought back. Last week it introduced a game featuring retired National Football League players, who are not covered under the deal with Electronic Arts.

Called All-Pro Football 2K8, the game, aimed at men 18 to 35, is being promoted with a \$4.5 million marketing campaign.

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"Not having the N.F.L. license created challenges and opportunities," said Tim Rosa, director of brand and lifestyle marketing for 2K Sports, Take-Two's sports publishing label.

With All-Pro Football 2K8, "we're never going to outsell Madden," Mr. Rosa said. "We're not targeting the mass video game consumer, we're targeting the niche, core football gamer."

To sidestep infringement of Electronic Arts' N.F.L. agreement, Take-Two Interactive Software came up with a new concept. Its video game features 240 retired players, including Troy Aikman, John Elway, Dan Marino, Jerry Rice, Barry Sanders, Mike Singletary, William (the Refrigerator) Perry and Johnny Unitas.

The game also lets players create their own dream teams and customize the team's name, logo, uniforms and other details.

It features a soundtrack produced by DJ Z-Trip, who is known for remixing old music and creating mash-ups. Mr. Rosa of 2K Sports said that DJ Z-Trip was "perfect for this project, because what we've created is a remixed version of football."

Although Electronic Arts already controlled the football video game category with its Madden NFL series when it joined forces with the league and its players, NFL 2K — introduced by Sega in 1999 and published by Take-Two in 2004 — had a visible share of the market. According to UBS, for the years 2000, 2001, 2002 and 2004, when NFL 2K was published, Madden NFL generated sales of \$686.3 million and NFL 2K had sales of \$142.7 million.

Today, Madden NFL is the best-selling video game in any category. According to Wedbush Morgan Securities, it had sales of \$278 million in 2005 and \$339 million in 2006, ranking No. 1 both years.

Although industry analysts were mostly positive about Take-Two's idea of summoning up the alumni roster, they said it would be hard to dent the Madden franchise.

James Lin, an analyst with the MDB Capital Group in Santa Monica, Calif., predicted that people who purchase the Take-Two game will not buy it "at the expense of Madden."

"The Take-Two game," he said, "will appeal to perhaps a slightly older fan, to a certain segment of the overall fan base, while E.A.'s game appeals to the broader football fan in general."

Mr. Lin also said the timing of Take-Two's release this month might help it gain some advantage over Madden NFL 08, to be released in August.

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To promote All-Pro Football 2K8, Take-Two has developed a campaign that combines advertising in a variety of media with a cross-country concert tour by DJ Z-Trip starting today.

Take-Two's agency, EVB, a San Francisco-based unit of the Omnicom Group, has set up a Web site, www.footballresurrected.com, that has six two-minute videos. Each features a hip-hop artist — including Rakim, Aceyalone and Chali 2na — who raps about football, the new video game and the retired players.

Take-Two is releasing one video weekly, from early July through early August, on its own Web site; it is also placing these on YouTube and on Sony and Xbox Web sites.

Four full-page ads, depicting Rice, Singletary, DJ Z-Trip and the rappers, are running in the July, August and September issues of music, lifestyle and gaming magazines like Blender, Filter, Maxim and Game Informer; 15- and 30-second TV spots featuring Rakim will be broadcast through mid-August on cable channels like ESPN, NFL Network and MTV.

Ben Schachter, an analyst with UBS, said that although Take-Two's new concept is "quite ingenious, it's not the same as the authentic NFL experience."

"I think Take-Two will do all right," he said, "given they don't have the license, but unfortunately it probably won't be enough for them to displace Madden."

Michael Pachter of Wedbush Morgan predicted that retired football players would "not be relevant to 18-to-34-year-old guys."

Chris Erb, who oversees Electronic Arts' N.F.L.-related business, said his company "welcomes the