

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE
TRADEMARK TRIAL AND APPEAL BOARD

O'MELVENY & MYERS LLP

Dale M. Cendali

Cory Bragar

Times Square Tower

7 Times Square

New York, New York 10036

(212) 326-2000

Attorneys for Plaintiff

In the matter of the Application for Registration
of:

Trademark:

CHICAGO AND NORTHWESTERN SYSTEM

Serial Number: 76479575

Filed: December 31, 2002

By Union Pacific Railroad Company

1416 Dodge Street

Omaha, Nebraska 68179

Published: October 4, 2005

Lionel L.L.C.,

Opposer,

-against-

Union Pacific Railroad Company,

Applicant.

Opposition No.

NOTICE OF OPPOSITION

NOTICE OF OPPOSITION

Lionel LLC, a New York limited liability company, located at 26750 23 Mile Road, Chesterfield, Michigan 48051 ("Lionel" or "Opposer") believes that it is or will be damaged by the registration of the mark shown in Application Serial No. 76479575 filed on December 31, 2002, namely, CHICAGO AND NORTHWESTERN SYSTEM, for "toy model train sets" in International Class 28, and hereby opposes the same.

The specific grounds for opposition are as follows:

1. Lionel is now and has been for many years engaged in the manufacture, marketing, selling and promoting of toy model train sets (hereinafter "Lionel's Goods") in interstate commerce.
2. Lionel's Goods are detailed model replicas of actual trains. Any emblems or logos on Lionel's Goods are used as they are used on the actual trains and are therefore replicate reality. Using the emblems or logos in this manner is the only way to accurately replicate reality and does not denote source.
3. Applicant is not now and never was entitled to appropriate or register as a trademark CHICAGO AND NORTHWESTERN SYSTEM for the model train sets which are set forth in Application Serial No. 76479575.
4. Use of CHICAGO AND NORTHWESTERN SYSTEM by Applicant, or anyone else, on model trains is not trademark use. When used on model trains to replicate actual trains, CHICAGO AND NORTHWESTERN SYSTEM is aesthetically functional and as such cannot denote source.
5. Lionel will be damaged by the use and registration of CHICAGO AND NORTHWESTERN SYSTEM upon the principal register by Applicant for use on train cars and

accessories in Applicant's toy model train sets to the extent Applicant would use such registration to prevent Lionel from making functional, non-trademark, use of CHICAGO AND NORTHWESTERN SYSTEM. Such registration and use would change the historic practice that has allowed model train manufacturers, such as Lionel, to produce replica model trains with the appropriate logos and emblems for over 100 years.

6. Registration of CHICAGO AND NORTHWESTERN SYSTEM to Applicant is barred by the provision of §2(e) of the Lanham Act, 15 U.S.C. §1052(e), because Applicant's mark is functional. There are no alternate ways to create an accurate replica of certain Union Pacific trains, other than using CHICAGO AND NORTHWESTERN SYSTEM. The use of CHICAGO AND NORTHWESTERN SYSTEM does not denote source. Therefore, when used on model toy train sets CHICAGO AND NORTHWESTERN SYSTEM is aesthetically functional.

WHEREBY, Lionel respectfully requests, under §13(a) of the Lanham Act, 15 U.S.C. §1063(a), that Application Serial No. 76479575 for CHICAGO AND NORTHWESTERN SYSTEM be rejected and denied with respect to toy model train sets and that this opposition be granted.

This Notice of Opposition is submitted electronically. The Office is authorized to charge Deposit Account No. 50-0639 for the statutory filing fee of \$300.00 to cover the single class in the application for which registration is opposed and for any deficiency of fees in connection with the filing of this Notice of Opposition.

January 30, 2006

Respectfully submitted:

/s/ DMC

Dale M. Cendali
O'MELVENY & MYERS LLP
Times Square Tower
7 Times Square
New York, New York 10036
(212) 326-2000

Attorneys for Opposer