

FOR IMMEDIATE RELEASE
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**NMRA Patent Challenge Update: Real Rail Effects fails to respond
to NMRA DCC-sound patent challenge**

The deadline for Real Rail Effects, Ltd. (RRE) to respond to an NMRA patent challenge has passed, with no response from RRE.

RRE was granted a patent by the United States Patent and Trademark Office (USPTO) based upon a claim that the technology for using sound with DCC was invented by RRE. The NMRA, with the technical and financial support of a number of DCC manufacturers and hobbyists around the world, filed a challenge to the RRE patent.

The NMRA filed the challenge because we believe that the claims in the RRE patent application were not supported by the facts. The NMRA was aware that prior art and other evidence existed which negated RRE's patent.

The NMRA felt that, should it remain in force, the RRE patent posed a threat to modelers and manufacturers of DCC equipment because it would both increase the costs to modelers and unfairly restrict manufacturers who provide decoders with sound. Therefore, the NMRA coordinated an industry- and hobby-wide effort to have the patent overturned. The NMRA submitted evidence from a number of sources raising substantial questions about the validity of the patent.

On February 11, 2008, the USPTO issued a ruling granting the NMRA's patent re-examination request. The examiner stated in the ruling that there was a substantial likelihood that a reasonable examiner would consider the prior art important in determining the patentability of the application of RRE.

After the examiner at the USPTO determined that the position of the NMRA had merit and compelled a new analysis of the patent, RRE had two months to respond to the re-examination request. The deadline for a response has come and gone, and RRE made no reply. The NMRA is now very hopeful that a favorable decision will be announced and that the position of the NMRA and its supporters will be vindicated.

The NMRA considers this a clear triumph for the modeler and the model railroad industry. We are proud to have led the challenge team that has made this victory possible.

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