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May 28, 2009

For Settlement Purposes Only and Without Prejudice - Subject to FRE 408

VIA FACSIMILE AND ELECTRONIC MAIL

David A. Lowe Black, Lowe & Graham 701 Fifth Avenue, Suite 4800 Seattle, Washington 98104 PLEASE RESPOND BY: June 11, 2009

Re: Trademark Infringement by Go Northwest, LLC

Mark: **GO NORTHWEST!** Our File: 12.755

Val 7 10. 12,700

Your Ref.: GONW-5-1002

Dear Mr. Lowe:

As you know, we are trademark counsel for Northwest Airlines, Inc. We apologize for the timing of our recent letter dated April 30, 2009, and we appreciate your timely response of May 5, 2009. Our client has considered the defenses you raise on behalf of Go Northwest! LLC in your letter. While we disagree with your conclusions, especially those regarding the weakness of our client's famous marks and the scope of its trademark rights, Northwest Airlines, Inc. is nonetheless willing to settle this matter according to the terms listed below. Should this dispute become escalated in any manner, however, please note that we are prepared to defeat your contentions on a point-by-point basis.

Northwest Airlines is willing to allow your client to continue using the **GO NORTHWEST!** mark, provided your client agrees to take the following actions:

- (1) Voluntary surrender its U.S. trademark registration (No. 3,381.131);
- (2) Abandon efforts to register the mark in the U.K. and Australia, and agree not to seek registration of the mark anywhere;
- (3) Not expand its services beyond the Class 35 and Class 39 services listed in the tobe-cancelled registration, including but not limited to, agreeing not to offer air transportation and travel agency services (whether consisting of directly or indirectly making flight, hotel, rental car, sightseeing tour, or other travel arrangements for customers);
- (4) Not to adopt or attempt to register any additional marks consisting solely of or containing the word NORTHWEST in connection with any travel-related services;

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- (5) Refuse to accept and/or block sponsored advertising from airline companies and any other advertising that trades on the **NORTHWEST AIRLINES** mark, including removing the current sponsored listing for "Northwest Airliness" described below;
- (6) Not to do anything that suggests association with Northwest Airlines; and
- (7) Not to challenge Northwest Airlines' use, applications, or registrations of or for marks containing the terms NORTHWEST or NORTHWEST AIRLINES.

In return for agreement to the foregoing terms, Northwest Airlines will agree not to challenge Go Northwest's common law use of the GO NORTHWEST! mark in accordance with point (3) above. Please note that we have included point (5) above because on one of your client's website pages, we found a link entitled "Northwest Airliness" that took us to the website www.lowfares.com.

As an additional matter, please send us copies of the searches you reference in your May 5 letter that purportedly show the dilution of the terms NORTHWEST and NW in your area in connection with travel and transportation services. Given that Go Northwest! accepts payment for links on its website, and given that it lists a number of airlines (including Northwest Airlines), we would also appreciate learning whether any airline companies have paid for links on the www.gonorthwest.com website.

Please contact me if you would like to discuss this matter in further detail. Otherwise, by June 11, 2009, please confirm in writing that your client is agreeable to the above-listed terms of settlement, and please provide copies of your searches and information on whether any airlines have paid for links on your client's website.

Very truly yours

amie Nafziger

JNN:JRC:kl

cc: Northwest Airlines, Inc. Iain Stewart, Kilburn & Strode