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Realtor.com Parent Drops Trade Secrets Suit Against CoStar

By **Rae Ann Varona**

Law360 (April 7, 2025, 8:24 PM EDT) -- Realtor.com's parent company, Move Inc., agreed on Monday to end trade secret litigation it had lodged against rival CoStar Group Inc. and one of Realtor.com's former employees, who it alleged stole confidential trade secrets and used them after joining CoStar.

The stipulation filed Monday in California federal court permanently drops allegations that CoStar and former Realtor.com employee James Kaminsky violated both federal and state trade secret laws, the Computer Fraud and Abuse Act, and the California Comprehensive Computer Data Access and Fraud Act.

CoStar general counsel Gene Boxer said in a statement provided to Law360 on Monday that the case's conclusion was not the result of a settlement.

"To be crystal clear: we didn't settle," Boxer said. "We agreed to nothing and paid nothing."

A Realtor.com spokesperson told Law360 that the company decided to settle the case against its former employee, Kaminsky, who they said no longer works at CoStar.

"Given that he is no longer employed by CoStar and we have a settlement in place, we have chosen to dismiss our trade secrets lawsuit against CoStar because the risk of additional misuse has been mitigated," the spokesperson said.

Move and two of its subsidiaries sued CoStar and Kaminski in July 2024, stating that Kaminsky, while at Realtor.com, led the website's "News & Insights" team. The news and insights platform was a "market leading offering, generally viewed as the best in the business, that drives traffic to Realtor.com and creates significant authority for the brand," Move said in its complaint.

Move asserted that Kaminsky was among employees notified in January 2024 that they were being terminated as part of a reduction in force. The Austin, Texas-based company alleged that Kaminsky, after being notified of the layoff, downloaded numerous confidential files from Move's systems and set up "ongoing surreptitious accesses" to Move's live internal documents.

Kaminsky allegedly accessed the documents at least 37 times after joining CoStar in a similar role he had with Realtor.com, according to the complaint.

Move said Kaminsky's theft gave CoStar a "massive unfair competitive advantage."

It accused CoStar and Kaminsky of violating federal and state trade secret laws, the CFAA, and the CDAFA. It also accused Kaminsky of breach of contract and promissory fraud.

Move sought a court order to bar CoStar and Kaminsky from using or disclosing its trade secrets and confidential information. Move's bid for a preliminary injunction was denied in September.

CoStar had in September moved to dismiss Move's CFAA and CDAFA claims, making among its arguments that Move didn't allege to have suffered any damage or harm connected to the claim and that any harm under the CFAA is limited to technological harms. Kaminsky joined CoStar on the motion.

U.S. District Judge George H. Wu granted CoStar's request and dismissed the claims in late October, but ruled that Move could amend them.

Move filed a second amended complaint in November. In again asserting CFAA and CDAFA claims, Move alleged, for instance, that Kaminsky accessed its computers "with intent to defraud" and particularly with the "intent to deceive Move and cheat it by stealing its confidential and proprietary information and documents."

The Realtor.com spokesperson said Monday that it launched the lawsuit to stop any of its intellectual property from being exploited.

"After catching our ex-employee brazenly accessing our strategy documents while employed at CoStar, we acted decisively, launching legal action to halt and prevent any ongoing exploitation of our intellectual property," the spokesperson said.

"Our commitment to safeguarding our trade secrets remains unwavering and uncompromising," the spokesperson said.

CoStar said in a press release Monday that it had at the outset of the case warned Move that it would seek sanctions for meritless claims. It said that it had also in the past months pressed Move for evidence.

CoStar said that its legal team also notified Move of an intent to seek sanctions in March.

"This lawsuit was a PR stunt from the start — ridiculous, and totally devoid of merit," Andy Florance, founder and chief executive officer of CoStar Group, said in a statement on Monday. "Nine months later, after a warning from our lawyers about sanctions, Move folded. We did not settle. We didn't pay a dime. Move simply capitulated."

"From the beginning, Move had no evidence linking CoStar Group to any trade secrets, and this dismissal proves it," Florance said. "This was a desperate, anticompetitive stunt to slow down Homes.com as we passed Realtor.com in the marketplace."

Boxer, CoStar's general counsel, said in his statement Monday that Move abruptly sought to dismiss the case after CoStar opposed delaying the case.

The case's docket shows that CoStar filed a motion last week opposing Move's motion to extend a discovery cutoff date, arguing that "if any party has delayed providing discovery, it is Move."

"The case was a charade from the beginning: there is and never was any evidence against CoStar," Boxer said in the statement.

Nick Boyle of Latham & Watkins LLP, lead counsel for CoStar, said in a statement that it was a "privilege to partner with CoStar to achieve this victory."

"The success is a testament to CoStar's strong leadership at all levels — epitomized by CEO Andy Florance, and with legal steel in the form of general counsel Gene Boxer and Head of Litigation Dan McCallum," Boyle said. "They never wavered for a second, and that allowed us to execute an aggressive and multipronged litigation strategy. We look forward to standing shoulder to shoulder with CoStar in battles to come."

Counsel for Kaminsky did not immediately respond to a request for comment on Monday.

Move and its subsidiaries are represented by Todd C. Toral, Brent Caslin, David R. Singer, Carolyn Small, and Elizabeth Baldrige of Jenner & Block LLP.

CoStar is represented by Nicholas J. Boyle, Matthew W. Walch, Anne Malinee, and Joseph D. Axelrad of Latham & Watkins LLP.

Kaminsky is represented by Ethan J. Brown and Patricia Eberwine Tenenbaum of Brown Neri Smith & Khan LLP.

The case is Move Inc. et al. v. CoStar Group Inc. et al., case number 2:24-cv-05607, in the U.S. District Court for the Central District of California.

--Additional reporting by Craig Clough. Editing by Amy French.