

CoStar defeats real estate rival's antitrust claims in U.S. court

February 24, 2023

(Reuters) — A California federal judge on Thursday dismissed antitrust claims against commercial real estate information services company CoStar Group Inc (CSGP.O), opens new tab, in a feud with an industry rival platform that alleged it was unlawfully boxed out of competition.

U.S. District Judge Consuelo Marshall in Los Angeles found CoStar's commercial real estate listing practices and contracting terms were not anticompetitive and that allegations in the case failed to show the company held monopoly power.

The order addressed counterclaims against CoStar in its intellectual property lawsuit against rival Commercial Real Estate Exchange Inc (CREXi).

CREXi had alleged, opens new tab CoStar "spent billions of dollars buying up and elbowing out competitors." CREXi competes with industry leader CoStar, which saw \$2.1 billion in revenue last year, for online commercial real estate data and technology services.

In the counterclaims, CREXi claimed CoStar was abusing its power in an effort to stop brokers from working with it.

The court's ruling, opens new tab said CREXi could not refile antitrust claims. Los Angeles-based CREXi still has a pending trademark infringement claim against CoStar.

A representative from CREXi and lawyers for the company at Keker, Van Nest & Peters did not immediately respond on Friday to messages seeking comment.

Washington, D.C.-based CoStar in a statement said CREXi's "competition claims were long on bombastic hyperbole, but utterly devoid of substance."

CoStar's lawsuit alleged CREXi was attempting to



REUTERS/ANDREW KELLY

A bronze statue titled "Justice Delayed, Justice Denied" depicting a figure of Justice is seen on the Albert V. Bryan United States Courthouse in Alexandria, Virginia, U.S., September 1, 2020.

use stolen content from CoStar and unauthorized use of its services to build a competing platform.

CoStar said last week in an updated complaint, opens new tab it had "identified more than 50,000 CoStar-copyrighted photographs copied, displayed, or reproduced by CREXi without permission."

A trial in the underlying copyright case is set for next year.

The case is CoStar Group Inc v Commercial Real Estate Exchange Inc, U.S. District Court, Central District of California, 2:20-cv-08819-CBM-AS.

For plaintiff: Nick Boyle and Jessica Stebbins Bina of Latham & Watkins

For defendant: Elliot Peters and Warren Braunig of Keker, Van Nest & Peters