

TUESDAY, APRIL 8, 2025

## CoStar cleared as Move's trade secret case collapses

**CoStar and former employee were cleared of trade secrets claims after Move Inc. voluntarily dismissed its lawsuit, ending a year-long legal battle with no settlement.**

By Devon Belcher  
Daily Journal Staff Writer

**C**oStar Group Inc. and a former employee have been permanently cleared of trade secrets claims after the case was voluntarily dismissed by the plaintiffs on Monday.

The dismissal of the nearly one-year old case comes days after CoStar vehemently opposed a motion from Move Inc., which asked U.S. District Judge George H. Wu to extend the discovery period. Move claimed it needed more time to review documents and start depositions. The trial was scheduled for August.

"When this transparently baseless case was filed, I described it as a pimple on the elephant of my litigation responsibilities. Today that pimple was popped. Move's case collapsed and it begged us to agree to permit its dismissal with prejudice. To be crystal clear: we didn't settle. We agreed to nothing and paid nothing." Gene Boxer, CoStar's general counsel, said in a statement.

"The case was a charade from the beginning. There is, and never was, any evidence against CoStar. Move attempted to weaponize the legal system to shift the narrative around the decline of Realtor.com [owned by Move] and the success of CoStar's Homes.com."

The case centers around Move's primary allegation that a former Realtor employee, before joining CoStar, transferred specific advertising-related files from the company's database to help his new employer develop a system that boosted its website traffic. *Move Inc. et al. v. CoStar Group Inc. et al.*, 2:24-cv-05607 (C.D. Cal., filed July 2, 2024).

Move is represented by several attorneys at Jenner & Block LLP, led by firm partner Brent L. Caslin. According to a statement from a Realtor spokesperson, the parties reached an agreement with that employee, who is no longer with CoStar. The defendant company was not part of the settlement and was simply dropped from the case.

"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. Realtor.com has cho-



**'When this transparently baseless case was filed, I described it as a pimple on the elephant of my litigation responsibilities. Today that pimple was popped.'**

— Gene Boxer, CoStar's general counsel

sen to settle with our ex-employee, who is no longer an employee of 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. Our commitment to safeguarding our trade secrets remains unwavering and uncompromising," Realtor's statement read.

CoStar was successfully defended by Latham & Watkins LLP partners Nicholas J. Boyle and Matthew W. Walch.

In a statement, Boyle said: "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. They never wavered for a second. 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."

Between the lawsuit's 2024 filing and Monday's dismissal, CoStar prevailed on multiple motions. This included a preliminary injunction denial and the dismissal of two computer fraud claims that Wu found did not demonstrate any harm.

The lawsuit was amended and the dropped claims were restructured. However, months later, Move's counsel claimed CoStar "dumped several thousand documents" on them at the last minute and urged the judge to extend the discovery period an additional 90 days.

CoStar's counsel opposed those contentions and claimed the motion was a baseless attempt to delay the trial due to a lack of evidence. Days later, Move voluntarily dismissed the case.

"After receiving a letter from our outside counsel, threatening sanctions for pursuing a case without evidence, Move first tried to delay the case, and when we opposed that, abruptly sought to dismiss the entire suit. For Move, it's an embarrassing end to a string of court losses," Boxer said.

"Move tried to obtain a preliminary injunction, we opposed and the court denied the motion, lambasting Move for refusing to take any discovery, and for failing to demonstrate any harm. We then filed and won a motion to dismiss two of Move's claims, again on the basis of a lack of harm. As the end of discovery loomed, and facing the prospect of sanctions, Move had nowhere left to turn.

"All you need to know," Boxer concluded, "is that before filing the case, Move's CEO reportedly called CoStar an existential threat. The drubbing that Move received in court, and Move's ultimate capitulation, should serve as a reminder that the truth will prevail, and that no one sues CoStar with impunity."

[devon\\_belcher@dailyjournal.com](mailto:devon_belcher@dailyjournal.com)