Federal Court Finds Rival CREXi Copied and Cropped Thousands of CoStar's Copyrighted Images

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After reviewing the mountain of evidence against CREXi, the District Court held that CoStar had stated a case for infringement and made multiple key findings against CREXi, holding that it had deliberately copied listings and copyrighted images from LoopNet, and cropped out the CoStar watermark

ARLINGTON, Va.--(BUSINESS WIRE)--Jun. 26, 2025-- Yesterday, Judge Marshall of the federal district court in Los Angeles issued a detailed opinion finding that CREXi had deliberately copied and cropped thousands of CoStar Group photos via an elaborate offshore scheme involving Indian-based agents. The court saw through CREXi's excuses and attempts to blame brokers, and also ruled that CREXi's core counterarguments failed. The case will now move forward to trial to resolve the remaining outstanding factual issues and to determine the value of CoStar Group's images and CREXi's damages.

In 2020, CoStar Group sued CREXi for industrial-scale copyright infringement, putting forth evidence that CREXi had built its competing commercial real estate (CRE) platform by free-riding on CoStar Group's intellectual property and infringing thousands of CoStar-owned photographs. During the litigation it became clear that CREXi, pursuant to an official "copy and crop" policy, and using offshore agents in India, infringed thousands and thousands of CoStar Group copyrighted photographs, harvesting them from CoStar Group's LoopNet site and brochures, and cropping the CoStar Group star logo from the images. CREXi's deliberate misconduct is undeniable: thousands of CREXi emails, internal CREXi teams messages and testimony from former and current CREXi employees show CREXi engaging in wrongdoing.

Both parties cross-moved for summary judgment on various issues. While the Court denied the motions, it made a slew of findings in CoStar's favor that brushed aside CREXi's claim to be an innocent, passive platform that simply did what brokers told it to do. The Court concluded that CREXi and its offshore teams in fact deliberately copied from CoStar's LoopNet site, took screenshots of CoStar's images, cropped the CoStar watermark, and did so based on a company policy. In a detailed and reasoned opinion, the court cited, among other evidence, the document reflecting that policy, which instructed its employees to "TAKE A SCREENSHOT OF THE PHOTOS . . . TO ENSURE THAT THE WATERMARK LOGO IS REMOVED." Among other findings, the Court held:

> "There is ample evidence that CREXi and its BPOs [i..e., offshore teams in India] copied listing information, including images, from LoopNet when a listing could only be found on LoopNet, and that CREXi would take screenshots of photos or otherwise crop out CoStar's watermarks from photos to build out listings on its website." Order at 18.
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> "There is also no genuine dispute that CREXi instructed its BPOs [offshore agents] on how to build listings, including to remove the watermark from any CoStar-watermarked images before using an image in a listing." *Id*. at 20.
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> "Evidence further indicates that before this litigation, CREXi instructed its employees and BPOs [offshore agents] that, when photos were only available on CoStar, they should screenshot the photos and crop them to remove the watermark. . . . . Finally, there is evidence that this was an established practice or policy at CREXi, at least before this lawsuit was filed." *Id*. at 26.
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> "[T]here is no genuine dispute of fact that CoStar has stated a prima facie case for copyright infringement as to the User-Directed images displayed before the lawsuit was filed." *Id*. at 21.

Further devastating CREXi's case, the Court found that CREXi is barred from invoking its core defense – that it is a passive platform entitled to safe harbor protection under the Digital Millennium Copyright Act – with regard to the copyrighted listing images that CREXi and its offshore agents copied from LoopNet. *Id*. at 37 ("Accordingly, the Court finds that § 512(c)'s safe harbor does not apply to the User-Directed images."). Similarly, the Court ruled against CREXi with regard to the core of its purported "unclean hands" defense. *Id*. at 40. And found that CoStar owned all the photographs in the case, gutting CREXi's multiple arguments that tried to dispute such ownership. *Id*. at 9.

The Court's rulings bring CoStar Group one step closer to vindication. "We are not surprised that after reviewing the mountain of evidence CoStar Group filed in support of its claims that the Court has made multiple core findings in our favor, including that CREXi, as a matter of policy, and using offshore teams, copied and cropped thousands of our copyrighted images," said Gene Boxer, CoStar Group General Counsel. "CREXi is a parasitic company that has chosen to harvest intellectual property from CoStar Group rather than compete fairly, and the court recognized that. We look forward to proceeding to trial on the remaining issues, including the value of CoStar Group's images and the damage CREXi has done. CREXi engaged in mass infringement and must pay the price. The industry is on notice that it will face judgment for any use of CoStar's watermarked images."

About CoStar Group

CoStar Group (NASDAQ: CSGP) is a global leader in commercial real estate information, analytics, online marketplaces and 3D digital twin technology. Founded in 1986, CoStar Group is dedicated to digitizing the world's real estate, empowering all people to discover properties, insights, and connections that improve their businesses and lives.

CoStar Group's major brands include CoStar, a leading global provider of commercial real estate data, analytics, and news; LoopNet, the most trafficked commercial real estate marketplace; Apartments.com, the leading platform for apartment rentals; and Homes.com, the fastest-growing residential real estate marketplace. CoStar Group's industry-leading brands also include Matterport, a leading spatial data company whose platform turns buildings into data to make every space more valuable and accessible, STR, a global leader in hospitality data and benchmarking, Ten-X, an online platform for commercial real estate auctions and negotiated bids and OnTheMarket, a leading residential property portal in the United Kingdom.

CoStar Group's websites attracted over 130 million average monthly unique visitors in the first quarter of 2025, serving clients around the world. Headquartered in Arlington, Virginia, CoStar Group is committed to transforming the real estate industry through innovative technology and comprehensive market intelligence. From time to time, we plan to utilize our corporate website as a channel of distribution for material company information. For more information, visit CoStarGroup.com.

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