# UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

REIS, INC. and REIS SERVICES, LLC,

Plaintiffs,

- against -

JOHN DOE subscriber(s) assigned IP addresses 104.54.192.189, and 23.127.76.156,

Defendants.

\_\_\_ Civ. \_\_\_ ( )
COMPLAINT

Plaintiffs Reis, Inc. and Reis Services, LLC (together, "Reis") allege upon knowledge as to themselves and their own actions and on information and belief as to all other matters as follows.

#### **Nature of the Action**

- 1. This is an action for data piracy brought under the Computer Fraud and Abuse Act, 18 U.S.C. § 1030 *et seq.*, and the Copyright Act, 17 U.S.C. § 101 *et seq.* The Defendant (or Defendants) (including, unless otherwise stated, its agents, officers, employees, and other personnel under its control), hiding anonymously behind numbered ranges of internet addresses, has been using stolen login credentials to access Reis's proprietary subscription database without authorization and to download without paying hundreds of commercial analytic reports. These are reports that Reis's legitimate users pay tens (and sometimes hundreds) of thousands of dollars in annual subscription fees to obtain.
- 2. Reis's proprietary database (the "Reis Database") has been developed and maintained by Reis through its extraordinary investments, efforts, and creativity over the last 35 years. Reis, Inc. is a public company that is a leader in providing up-to-date

commercial real estate market information and analysis. The Reis Database contains detailed information on commercial properties in 275 of the largest metropolitan markets and over 7,000 discrete neighborhoods throughout the United States.

- 3. A recent investigation conducted by Reis's Compliance Group has revealed that Defendant is one of many unidentified individuals or entities that has been downloading, without authorization, over 34,000 copies of reports from the Reis Database services with a retail value of \$16 million or more.
- 4. Through an investigation of unusual data access and download patterns by one or more users located at Internet Protocol ("IP") addresses 104.54.192.189, and 23.127.76.156, (the "Doe's IP addresses") assigned by Internet Service Provider ("ISP") AT&T Internet Services, LLC ("AT&T"), and located in Austin, Texas, Reis has discovered that from at least April 2014 through April 2015 the unidentified Doe Defendant has downloaded 798 proprietary reports with a retail value of \$361,337 without providing any compensation whatsoever to Reis.
- 5. Reis has discovered, as part of its investigation, that the access of the Reis Database through the Doe's IP addresses, and Defendant's resulting downloads of Reis reports, were made by an individual or individuals wrongfully using at least one set of misappropriated login credentials that were issued to a well-known Fortune Global 500 financial institution that is a long term licensed Reis account holder ("Subscriber A"), and assigned to one of Subscriber A's employees ("the Employee"), who is based in New York. However, the Employee accessed the Reis Database from a completely different block of IP addresses publicly associated with Subscriber A in the New York area, such that the repeated, voluminous, and simultaneous use of the Employee's credentials from

different IP addresses located in Austin, Texas, confirms that Defendant is using someone else's login credentials.

- 6. By using unauthorized login credentials, Defendant has been able to access, download, and use copyrighted and proprietary reports from the Reis Database without paying either (i) the a la carte retail prices for the reports that are charged to non-subscribers who wish to buy reports or (ii) a subscription fee required to take an annual license from Reis. Defendant has thus stolen more than one quarter of one million dollars worth of reports from Reis, and this action seeks to hold it accountable for that misconduct.
- 7. Despite its diligent investigation, Reis is unable to ascertain the true identity of the individual(s) and/or entities accessing the Reis Database through the Doe's IP addresses. With the Court's permission, Reis will serve a subpoena on non-party ISP AT&T that is narrowly tailored to seek information sufficient to reveal Defendant's identity.

### **Parties**

- 8. Plaintiff Reis, Inc. is a Maryland corporation with its principal place of business in New York, New York. Reis provides commercial real estate market information and analytical tools to real estate professionals through its subsidiary, plaintiff Reis Services, LLC.
- 9. Plaintiff Reis Services, LLC is a Maryland limited liability company with its principal place of business in New York, New York.
- 10. Defendant is an individual or individuals and/or an entity or entities whose identity is presently unknown. Despite diligent investigation, Reis is currently unaware

of Defendant's identity and needs to conduct discovery to ascertain this information.

Once the identity of Defendant has been discovered, Reis will amend its Complaint to substitute Defendant's true name or names.

#### **Jurisdiction and Venue**

- 11. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1367.
- 12. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b). Although the true identity of Defendant is unknown to Reis at this time, a substantial part of the alleged events giving rise to the claim occurred in this District and a substantial part of the property that is the subject of this action is situated in this District.

### **Factual Allegations**

#### **Reis's Business and the Reis Database**

- 13. Reis (including its predecessors) was founded in 1980 and is recognized by the real estate industry and the business and trade press as one of the premier sources of objective, timely, and granular market information. This reputation was built by hard work and investment. Significantly, Reis's work is particularly valued because of its objectivity: Reis is independent of property owners and developers, and it does not compete as a broker in the listings space.
- 14. The Reis Database contains information on apartment, office, retail, warehouse/distribution, flex/research and development, self storage and seniors housing properties, and is used by real estate investors, lenders, and other professionals to make informed buying, selling, and financing decisions. In addition, Reis reports are used by debt and equity investors to assess, quantify, and manage the risks of default and loss

associated with individual mortgages, properties, portfolios, and real estate backed securities. Reis's products are designed to meet the demand for timely and accurate information to support the decision-making of its customers.

- 15. To maintain its position as a market leader, Reis continually invests in the databases, technologies, intellectual capital, and personnel (including over 200 employees) critical to supporting the ever-increasing information needs of commercial real estate professionals. Without access to the proprietary information developed and maintained by Reis, it would be incredibly burdensome, expensive, and time-consuming for a licensee (or other interested professional) to obtain equivalent in-depth information. Most professional real estate investors do not want to devote the resources to creating an in-house infrastructure capable of performing this work, which is why they subscribe to Reis's services.
- 16. Reis offers a variety of product delivery services that cater to the needs of different types of users. They include *Reis SE*, its flagship delivery platform aimed at larger and mid-sized enterprises; *ReisReports*, aimed at other professional consumers and smaller enterprises; and *Mobiuss Portfolio CRE*, or *Mobiuss*, aimed primarily at risk managers and credit administrators at banks and non-bank lending institutions. It is through these products that Reis provides online access to the Reis Database.
- 17. In addition, Reis continues to develop and introduce new products, expand and add new markets and data, and find new ways to deliver existing information to meet client demand. The depth and breadth of Reis's reports and expertise are critical in allowing Reis to grow its business. To maintain its position, Reis continuously expends

substantial additional investments and efforts to maintain and improve its offerings and ensure their currency.

#### **Subscriptions to the Reis Database**

- 18. Reis offers users a choice between a la carte (pay-as-you-go) access to the Reis Database and subscription-based access. Both involve fee-based access pursuant to a license agreement with Reis. Reports from the Reis Database are made available in six ways, with price points that are reflective of the level of content being purchased:
  - annual and multi-year subscriptions to *Reis SE* ranging in price from \$1,000 to over \$1,000,000, depending upon the subscriber's line of business, the number of subscriber employees licensed to use the service, the anticipated frequency of access and the combination of markets, property types, and reports subscribed to, for which the subscriber is typically allowed to download an unlimited number of reports over the subscription period in return for the up-front commitment to a fixed annual fee;
  - annual and multi-year subscriptions to *Mobiuss* typically ranging in price from the low tens of thousands of dollars into the hundreds of thousands of dollars;
  - capped *Reis SE* subscriptions ranging in price from \$1,000 to \$25,000, allowing clients to download content up to a ceiling defined by contractually agreed maximum retail value of reports over a particular period of up to twelve months;
  - subscriptions to *ReisReports*, which are charged to a credit card, having a retail price ranging up to \$150 per month (monthly or annual pricing options are available);

- custom data deliverables ranging in price from \$1,000 for a specific data element to hundreds of thousands of dollars for custom portfolio valuation and credit analysis; and
- individual reports, which can be purchased with a credit card, having retail prices up to \$999 per report and are available to anyone who visits Reis's retail web site or contacts Reis via telephone, fax or email. However, certain reports are only available with an annual subscription or capped subscription account.
- 19. Reis provides its information services to many of the nation's leading lending institutions, equity investors, brokers, and appraisers, which pay fees of up to several hundred thousand dollars a year in order to use the Reis Database.
- 20. As of June 30, 2014, Reis had 1,024 enterprise subscribers under signed contracts for its core *Reis SE* product. A subscribing entity may have one or many users entitled to access *Reis SE*. The number of users is a negotiated term of the contract, with higher prices generally charged to those subscribers who want more of their employees to have access. In addition to these enterprise subscribers, there are other users who pay for individual reports by credit card, subscribers to the *ReisReports* product, and additional users of information available on third party platforms through Reis's content redistribution relationships.
- 21. The vast majority of Reis's subscribers have utilized its core product for many years.

## **Reis's Registered Copyrights**

22. Reis has registered with the United States Copyright Office its copyrights in the Reis works on which the copyright infringement claims in this action are based.

Each of the following works has been registered with the Copyright Office under the Registration Certificates indicated below (each such work, a "Copyrighted Work"):

Work Name	Registration number
United States Metro Executive Briefings Apartment – 4th Quarter 2014	TX-7-988-627
About Reis	TX-7-972-959

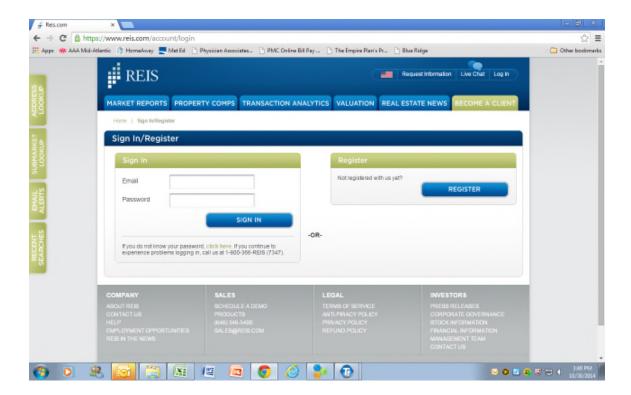
True copies of these Copyright Registration Certificates are annexed to this Complaint as Exhibit A. The Doe Defendants have infringed the Copyrighted Works a combined total of at least 33 times.

#### **Access to the Reis Database**

- 23. The Reis Database is firewall protected. Access to the Reis Database is by secure password and can be customized to accommodate the coverage, property type, and analytical needs of subscribers, providing access only to those portions of the database that the subscriber has paid to see. To protect its proprietary rights, Reis also relies on, among other things, restrictive license agreements with subscribers.
- 24. When a company enters into a license agreement with Reis, it may obtain licenses for an agreed number of employees. Each individual employee is then issued his or her own login credentials consisting of a unique username and password to access the Reis Database.
- 25. Employees are not allowed to share passwords with other colleagues who work for a subscriber, much less with third parties. Nor may they take them to new employers if they cease working for the subscriber. Reis's Terms of Service, found on its website at https://www.reis.com/terms-of-service, and attached in substantially similar form to its subscriber agreements, explicitly prohibit its licensees to "resell or transfer ...

use of or access to" the Reis Database and elsewhere states that "[t]ransfer or assignment of your password and user name to another individual is strictly prohibited."

- 26. All users of the Reis Database, whether subscribers or first time consumers, agree to be bound by the "terms, conditions, and notices contained" in the Terms of Service, and use of the Reis Database indicates acceptance of the Terms of Service. The terms require, among other things, payment of fees for use of the Reis Database and obligate users to refrain from acting "in such a manner" as to deprive Reis of a "loss of a potential sale or subscription."
- 27. Reis also maintains an Anti-Piracy Policy on its website at https://www.reis.com/anti-piracy-policy, which defines "piracy" as "using our service without a license to do so, enabling or trying to enable a third party who is not authorized to use our service to use our service, or exceeding the scope of the uses permitted you under a license agreement between you and Reis."
- 28. Links to Reis's Terms of Service and Anti-Piracy Policy are clearly labeled on the sign in page of the Reis Database under the heading "LEGAL," which is prominently displayed merely one inch below the sign in fields. These links put users on notice that their access and use of the Reis Database are subject to the Terms of Service. A screen shot of the login page is provided here:



29. When authorized Reis Database users leave or are otherwise dissociated from Reis's subscribers, the Terms and Conditions incorporated into Reis's subscription agreements require the subscribers to notify Reis. This allows Reis to disable the departed employee's login credentials and, at the subscriber's request, issue new ones to another employee instead.

### **Patterns of Unauthorized Activity**

- 30. Reis's Compliance Group has recently uncovered patterns of activity where login credentials assigned to individuals at a company are being used repeatedly and for long periods of time from IP addresses that do not track back to the subscribing company associated with the credentials.
- 31. One pattern of use that evidences unauthorized access of the Reis Database is often observed in these cases: (i) an individual uses one set of misappropriated login credentials from an IP address or range of addresses for a period of

time, (ii) usage on that IP address or range of addresses ceases when that set of login credentials is deactivated by Reis (or the person ceases using that set of login credentials for another reason, including being instructed by the rightful user to stop using his or her credentials), and (iii) the individual begins accessing the Reis Database on the same IP address or range of addresses via a different set of misappropriated login credentials. This pattern is called a "Stairstep."

- 32. Subscriber A, a well-known Fortune Global 500 financial institution that is a customer of Reis with a license to provide access to many of its employees, including the Employee. Legitimate usage of the Reis Database by 159 authorized Subscriber A employees, including the Employee, appeared on IP addresses publicly associated with Subscriber A regularly during the period at issue. Yet, at the same time, the login credentials assigned to the Employee never appear on Subscriber A's IP addresses. Instead, the login credentials assigned to the New York-based Employee appear on IP addresses located in Austin, Texas. The Employee's login credentials are the only login credentials ever to appear on these Austin-based IP addresses. The consistent, heavy use of the login credentials over 11 of 13 months is consistent with the support of a commercial real estate business, and suggests that the Employee has either shared his login credentials with, or that they have been stolen by, another person who then accessed the system without a license and without paying for the reports obtained. Personnel from Reis's intellectual property group have repeatedly requested clarification from the Employee, who has failed to respond to numerous voicemail and email messages.
- 33. Reis's investigation concluded that the Employee's login credentials appeared on at least 8 different IP addresses from April 2014 through April 2015. In

particular, the Employee's login credentials were used to access the Reis Database steadily from from Austin, Texas, hundreds of miles from the Employee's place of employment, which is New York City. The usage patterns, download activity, high volume of consumption, the regularity of consumption, and the location of downloads, indicates piracy in support of at least one business distinct from Subscriber A.

- 34. Although the identity and location of an IP user often can be ascertained through a "reverse lookup" of an IP address using various brand protection and cybercrime investigation tools, here, the Doe's IP addresses track back only to ISP AT&T. Without further information obtainable in discovery as to the identity of the person(s) or entit(ies) to whom the Doe's IP addresses are assigned, Reis is unable to ascertain Defendant's identity.
- 35. However, the Doe's IP addresses do not belong to Subscriber A. Indeed, other than the credentials associated with the Employee, no other login credentials licensed to Subscriber A or to any other subscriber have ever accessed the Reis Database from the Doe's IP addresses. Furthermore, the Employee's login credentials were used in a sequential, one-at-a-time pattern on two of the Doe's IP addresses, creating a "hand-off" or Stairstep pattern of use that rules out institutional support of Subscriber A, which has many employees who also would have appeared on the Doe's IP addresses if those addresses belonged to Subscriber A.
- 36. Defendant has accessed, downloaded, and used copyrighted and proprietary reports from the Reis Database without authorization. Based on an analysis of automatically-maintained records of login attempts and report downloads, Reis has determined that at least 178 unauthorized, but successful, incursions into the Reis

Database occurred from at least April 2014 through April 2015 from computers bearing the Doe's IP addresses, resulting in the downloading of 798 reports with a retail value of \$361,337.

- 37. Defendant stole or otherwise misappropriated or misused login credentials assigned to the Employee to access the Reis Database. That access has been tracked back to the Doe's IP addresses.
- 38. Upon information and belief, Defendant's unauthorized intrusions into the Reis Database were knowing and willful because Defendant knew that it is not Subscriber A or the Employees; knew that it had not paid for access to the Reis Database; knew that it did not have a license to use the Reis Database; and was on notice from the Terms of Service posted on the database that login credentials are non-transferable.
- 39. Defendant has accessed, downloaded, and used Reis's copyrighted and proprietary reports without compensating Reis, and as a result, has damaged Reis by preventing Reis from collecting its customary charges for its copyrighted and proprietary reports, fully exploiting its licensing opportunities, and causing Reis to devote time, money, and valuable resources to maintain the security of its database for licensees and paying customers.
- 40. Reis has suffered damages as a result of Defendant's unauthorized access, downloading, and use of copyrighted and proprietary reports from the Reis Database.

# **Count I**(Violation of Computer Fraud and Abuse Act, 18 U.S.C. § 1030)

41. Reis repeats and realleges the allegations of Paragraphs 1 through 40 of this Complaint as if fully set forth herein.

- 42. The Reis Database consists of servers and computers that are used in interstate commerce, and comprise a "protected computer" as that term is used in 18 U.S.C. § 1030(e)(2)(B).
- 43. Reis has maintained and secured the Reis Database by reasonable means at all relevant times.
- 44. Defendant intentionally accessed Reis's protected computer without authorization or in excess of authorized access and thereby obtained proprietary data and information services from the Reis Database. *See* 18 U.S.C. § 1030(a)(2)(C).
- 45. Defendant knowingly and with intent to defraud, accessed Reis's protected computer without authorization or in excess of authorized access and by means of that conduct furthered the intended fraud and obtained proprietary data and information services from the Reis Database with a retail value of \$361,337. *See* 18 U.S.C. § 1030(a)(4).
- 46. Defendant intentionally accessed Reis's protected computers without authorization, and as a result, caused loss to Reis.
- 47. As a result of Defendant's conduct, Reis has suffered losses in attempting to protect its rights against unauthorized access, downloading, and use of data and information stored in the Reis Database and in expending time, money, and resources (aggregating at least \$5,000 in value) to conduct an investigation into the intrusion and a damages assessment.
- 48. Determining the identity of a suspicious user is an essential part of Reis's damage assessment because the only way to determine whether a loss has occurred is to identify the user and determine whether it is acting pursuant to a duly issued license

either by way of a Reis Subscriber Agreement or as a registered user paying for reports as they are accessed and downloaded from Reis.com.

- 49. As part of an ongoing investigation of Defendant's anonymous access and use of the Reis Database, Reis developed its own proprietary investigatory software at a cost of \$76,364 in hourly wages of Reis developers from June 2014 through May 2015.
- 50. The development of this software included many enhancements and fixes as Reis continued to investigate intrusions into its computer system by the Doe Defendant. This process was necessary to keep up with the methods of persons like Doe Defendant, who seek to mask access and use of the Reis Database from Reis's view by using credentials issued to legitimate Reis licensees from locations that are not readily traceable to him or them.
- 51. Had the Reis developers not been working on this proprietary investigatory software tool, they would have been working to enhance and improve the Reis Database and the services provided to Reis clients.
- 52. The role of this software is to investigate and identify suspicious patterns of usage of Reis's computers when such patterns are found, they are further investigated by persons in the Reis Compliance Group at a substantial cost to Reis to determine whether the usage is licensed or not.
- 53. This software has been used to investigate unauthorized intrusions into the Reis Database, including specifically that of the Defendant. This proprietary investigatory software was, in fact, instrumental in identifying the usage on the Doe's IP addresses as being unauthorized.

- 54. In addition, Reis's Vice President of Product Development and Intellectual Property spent on average \$4,900 per month of time in 2014 and 2015 using this investigatory software tool to identify piracy, which included the ongoing unauthorized access to, and use of, the Reis Database by the Doe Defendant. The value of the Reis employees' time in investigating the Doe Defendant's access and use of Reis's computer system from the Doe's IP addresses exceeded \$5,000 in one calendar year.
- 55. The process of investigating the Doe's IP addresses' usage to determine that it was unauthorized extended over many months and included not only substantial time and expense incurred by Reis's in-house Compliance Group, but also included time and expense incurred by outside counsel which assisted in the effort to determine whether the Doe's IP address usage was authorized.
- 56. The value of outside counsel's time incurred with respect to the investigation of the Doe's IP addresses far exceeded \$5,000 in one calendar year.
- 57. Reis has also suffered economic damages in the amount of the lost retail value of the reports taken by the Defendant without a license in an amount to be determined at trial, but which is in excess of \$361,337.
- 58. As a result of Defendant's conduct, Reis has also suffered damage to its business and goodwill.
- 59. Reis is therefore entitled to compensatory damages pursuant to 18 U.S.C. § 1030(g), et seq.

### <u>Count II</u> (Copyright Infringement)

60. Reis repeats and realleges the allegations of Paragraphs 1–59 of this Complaint as if fully set forth herein.

- 61. Reis is the sole proprietor of all right, title and interest in and to the copyrights of each of the Copyrighted Works. As provided by 17 U.S.C. § 106, Reis has the exclusive right to, *inter alia*, view, copy, reproduce, display, distribute, transmit, and prepare derivative works from the Copyrighted Works.
- 62. Without authority or permission from Reis, the Defendant has infringed Reis's copyrights in the Copyrighted Works by unlawfully viewing, copying, reproducing, displaying, distributing, and transmitting the Copyrighted Works, in violation of Reis's exclusive rights under 17 U.S.C. § 106.
- 63. Upon information and belief, the foregoing actions of the Defendant in violation of Reis's rights have been willful and intentional, executed with full knowledge of Reis's exclusive rights in the Copyrighted Works, and in conscious disregard of those rights.
- 64. Reis is entitled to maximum statutory damages, pursuant to 17 U.S.C. § 504(c), in the amount of one hundred fifty thousand dollars (\$150,000) with respect to each Copyrighted Work infringed, or such other amounts as may be proper under 17 U.S.C. § 504(c). Alternatively, at Reis's election, pursuant to 17 U.S.C. § 504(b), Reis is entitled to its actual damages, including any additional profits of the Defendant.
- 65. Reis is further entitled to its full costs, including reasonable attorney's fees, pursuant to 17 U.S.C. § 505, as well as pre- and post-judgment interest.

## Count III (Breach of Contract)

66. Reis repeats and realleges the allegations of Paragraphs 1–65 of this Complaint as if fully set forth herein.

- 67. Use of the Reis Database is governed by and subject to the Terms of Service located on the sign in page of the Reis Database.
- 68. At all relevant times, Reis prominently displayed a link to the Terms of Service on the sign in page of the Reis Database.
- 69. The Terms of Service is a valid, enforceable contract through which Reis provides authorized users with a limited license to use the Reis Database. By entering into this contract, users agreed to pay fees associated with use of the Reis Database either on a per item basis or pursuant to a prearranged subscription agreement.
- 70. By entering into this contract, Defendant purposefully availed itself of the privilege of conducting business in New York.
- 71. Defendant materially breached the Terms of Service by repeatedly accessing and downloading documents from the Reis Database without compensating Reis for this privilege and with knowledge of the Terms of Service.
- 72. As a direct and proximate result of Defendant's material breach of the Terms of Service, Reis has been harmed and is entitled to monetary damages in an amount to be determined at trial, but at least \$361,337, exclusive of attorney's fees, costs, interest, and punitive damages.

## <u>Count IV</u> (Quantum Meruit)

73. Reis repeats and realleges the allegations of Paragraphs 1–72 of this Complaint as if fully set forth herein.

- 74. Defendant has received and continues to receive a substantial economic benefit and competitive edge by virtue of its accessing, downloading, and using proprietary reports and information from the Reis Database.
- 75. Defendant only obtained these benefits because it unlawfully accessed, downloaded, and used proprietary reports and information from the Reis Database for its own economic and competitive advantage.
- 76. It is inequitable and unjust for Defendant to have obtained the benefit of using the Reis Database for its own economic and competitive advantage without justly compensating Reis.
- 77. As a direct and proximate result of the Defendant's actions, Reis has suffered and will continue to suffer injury and damage in an amount to be proven at trial, but at least \$361,337.
- 78. The Defendant is therefore liable to Reis in a quantum meruit in an amount to be determined at trial, but not less than \$361,337, exclusive of attorney's fees, costs, interest, and punitive damages.

## Count V (Unjust Enrichment)

- 79. Reis repeats and realleges the allegations of Paragraphs 1–78 of this Complaint as if fully set forth herein.
- 80. Defendant has accessed, downloaded, and used \$361,337 worth of proprietary reports and information from the Reis Database, but have provided no value in return to Reis.
- 81. Thus, Defendant has been unjustly enriched at the expense of Reis in an amount to be determined at trial, but at least \$361,337.

- 82. It is against equity and good conscience to permit Defendant to retain the valuable information Reis seeks to recover herein.
  - 83. Defendant's actions were knowing, intentional, and willful.
- 84. Defendant is therefore liable to Reis in unjust enrichment in an amount to be determined at trial, but not less than \$361,337, exclusive of attorney's fees, costs, interest, and punitive damages.

## **<u>Count VI</u>** (Conversion and Theft)

- 85. Reis repeats and realleges the allegations of Paragraphs 1–81 of this Complaint as if fully set forth herein.
- 86. Defendant downloaded 798 reports from the Reis Database without paying for them.
- 87. In doing so, Defendant exercised unauthorized control and ownership over each downloaded report to the exclusion of Plaintiffs.
- 88. As a result, Reis suffered damage in the form of a lost sale for each report taken by the Defendant.
- 89. Defendant consumed those reports, used them, and could not return them to Reis.
- 90. Defendant has acted in willful disregard of Reis's proprietary rights in its reports.
  - 91. The value of the reports taken by Defendant was at least \$361,337.
- 92. As a direct and proximate result of Defendant's actions, Reis has suffered and will continue to suffer injury and damage in an amount to be determined at trial, but not less than \$361,337, exclusive of attorney's fees, costs, interest, and punitive damages.

## **Count V** (**Misappropriation**)

- 93. Reis repeats and realleges the allegations of Paragraphs 1–92 of this Complaint as if fully set forth herein.
- 94. Defendant downloaded hundreds of reports from the Reis Database without paying for them.
- 95. Those reports were valuable, novel and original compilations of data used by Reis in its business.
- 96. The reports were compiled at considerable expense to Reis and provided Reis with an advantage over its competitors.
- 97. As set forth above, Reis did not allow access to the reports without payment or license and protected the reports contractually and technologically from unauthorized access.
- 98. Defendant improperly accessed and used the reports for their benefit without authorization by Reis.
- 99. As a result, Reis was damaged for each report misappropriated by Defendant.
  - 100. The value of the reports taken by the Defendant is at least \$361,337.
- 101. Reis has suffered and will continue to suffer injury and damage in an amount to be determined at trial, but not less than \$361,337, exclusive of attorney's fees, costs, interest, and punitive damages.

## **Relief Requested**

WHEREFORE, Reis respectfully requests that the Court enter judgment in its favor and award the following relief against Defendant:

- a. Compensatory damages of at least \$361,337, plus interest and costs;
- b. At Reis's election, either (1) with respect to each infringement of a Copyrighted Work, statutory damages in the amount of one hundred fifty thousand dollars (\$150,000), or (2) Reis's damages and recapture of Doe Defendant's profits;
  - c. Punitive damages in an amount to be determined at trial;
  - d. Reis's attorney's fees and expenses; and
  - e. Such other and further relief as is just and proper under the circumstances.

Dated: New York, New York August 21, 2015

By: /s/ Geoffrey Potter

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