## UNITED STATES DISTRICT COURT MIDDLE DISTRICT OF FLORIDA TAMPA DIVISION

KLEIN & HEUCHAN, INC., A Florida Corporation,

Plaintiff,

Case No.:

vs.

COSTAR REALTY INFORMATION, INC., A foreign Corporation and COSTAR GROUP, INC., A foreign Corporation,

Defendants.

## **DECLARATION OF CHRISTOPHER WINTERS**

Christopher Winters, pursuant to 28, U.S.C. § 1746, under penalty of perjury declares:

- 1. My name is Christopher Winters. I am over the age of 21 years and have personal knowledge of all matters set forth herein below.
- 2. I am the Associate General Counsel and Director of Intellectual Property for CoStar Group, Inc.
  - 3. CoStar is a leading national commercial real estate information provider.
- 4. CoStar employs approximately 1,000 trained research professionals, including a field research force with over 120 research photographers and a fleet of over 100 specially equipped field research vehicles, that canvass the country, building information and analysis and photographs that are integrated into an enormous database that is updated daily.

## Exhibit B

- 5. CoStar licenses the information contained within its database to businesses. The information CoStar licenses allows its licensees to find for themselves or their customers available space for tenants, match buyers to properties for sale, find tenants, locate market-related information, and value commercial real estate sales transactions.
- 6. Access to CoStar's subscription information services and their associated databases is limited to those authorized users who gain authorization pursuant to a license agreement.
- 7. Once a party executes a license agreement with CoStar, the authorized user is provided with a user identification and password.
- 8. By logging into CoStar's Internet-based subscription information services, the user agrees to the specific Terms of Use agreement. The Terms and Use agreement constitutes a legal contract between the user and CoStar, and the user acknowledges that such user has the right, power, and authority to use the site, and agrees to be bound by the Terms of Use agreement.
- Scott Bell was an employee of a customer that had a license agreement with CoStar.
- 10. Scott Bell ceased to work for this customer and began working for Klein & Heuchan, Inc. ("K&H"). Scott Bell is K&H's licensed agent and independent contractor.
- 11. Bell, in his association with K&H, continued to use Costar's subscription services by using his former employer's password and user name, even though both Bell and K&H knew that Bell was unauthorized to use such services.

- 12. On June 4, 2008, K&H filed a declaratory action in the Sixth Judicial Circuit in and for Pinellas County against CoStar. The object of K&H's declaratory judgment action is to determine K&H's rights and obligations under the Terms of Use agreement.
- 13. Bell, as K&H's licensed agent and independent contractor, continued to use the unauthorized password for 16 months. Bell's use of CoStar's services was open to all in K&H's offices, which consisted of 24 users. By continuing to use the password and user name from his former employer, Bell and K&H had unauthorized access to a wide variety of CoStar's subscription services.
- 14. The license fee that K&H would have had to pay for such access is valued at \$5,381.00 per month. Therefore, Bell and K&H's unauthorized access to Costar's site for 16 months equates to \$86,096.00 in lost licensing fees to CoStar.
- 15. The object of the K&H's declaratory judgment action, therefore, is to determine whether or not K&H is liable to CoStar for the \$86,096.00 in licensing fees that it should have paid under the Terms of Use agreement.

I DECLARE UNDER PENALTY OF PERJURY THAT THE FORGOING IS TRUE AND CORRECT.

Executed on June 25, 2008

Christopher Winters