Craigslist Garners \$60 Million Judgment against Radpad in Scraping Dispute

Α	rtic	cle	Ву	

Jeffrey D. Neuburger

For years, craigslist has aggressively used technological and legal methods to prevent unauthorized parties from violating its terms of use by scraping, linking to or accessing user postings for their own commercial purposes. In its latest judicial victory, on April 13, 2017, craigslist obtained a \$60.5 million judgment against Radpad on various claims relating to harvesting content from craigslist's site and sending unsolicited commercial emails to craigslist users. (*Craigslist, Inc. v. RadPad, Inc.*, No. 16-01856 (N.D. Cal. Apr. 13, 2017)).

This judgment relates to a case we've previously discussed which focused on craigslist's action against another aggregator. In that case, the aggregator was scraping craigslist content (despite having received a cease and desist letter informing it that it was no longer permitted to access the site) and offering the data to outside developers through an API. (See generally *Craigslist, Inc. v.* 3Taps, Inc., 2013 WL 1819999 (N.D. Cal. Apr. 30, 2013)). In 2015, craigslist settled the 3Taps lawsuit, with relief against various defendants that included monetary payments and a permanent injunction barring unauthorized access to craigslist content or circumvention any technological blocks against spidering or scraping activities.

Last year, however, <u>craigslist revived the 3Taps</u> dispute when it filed a complaint against the real <u>estate listing site RadPad</u>, an entity that had allegedly received scraped craigslist data from 3Taps before the 3Taps case was settled. In its complaint, craigslist claimed that after the 3Taps litigation was settled, RadPad and its agents began their own independent efforts to scrape craigslist site, despite receiving a cease and desist letter from craigslist barring Radpad from using the craigslist site. Craigslist alleged that RadPad used sophisticated techniques to evade detection and scrape thousands of user postings and thereafter harvested users' contact information to send spam in an effort to entice users to switch to RadPad's services. (See *Craigslist, Inc. v. RadPad, Inc.*, No. 16-1856 (N.D. Cal. filed Apr. 8, 2016)). In its complaint seeking compensatory damages and injunctive relief, craigslist brought several causes of action, including breach of contract, CAN-SPAM, Computer Fraud and Abuse Act (and California state law equivalent), and copyright infringement.

During the course of the litigation, Radpad became insolvent and its attorney withdrew from representation, essentially allowing craigslist to obtain what amounts to a default judgment.

The relief included:

- CAN-SPAM: \$40 million, based upon violations from 400,000 emails. Notably, the court stated that Radpad had violated CAN-SPAM by sending emails that, among other things, contained false and misleading header information and subject lines and were sent through a whitelisted third party email delivery service to bypass craigslist's spam filters.
- Copyright: \$20.4 million for copyright infringement based on RadPad's scraping of various
 user postings from craigslist's site. Interestingly, in order to have standing to bring
 infringement claims against certain aggregators such as 3Taps, craigslist changed its terms of
 service for a limited time to gain an exclusive assignment of copyright rights to user content.
- Breach of contract: \$160,000 for breach of craigslist's terms of use based on the scraping activities.
- Injunctive relief: Radpad and its employees and agents are enjoined from accessing or
 distributing any user content posted on craigslist, as well as barred from sending any
 commercial email to any craigslist user in violation of CAN-SPAM, among other things.
 Radpad is also prohibited from using technological means to scrape craigslist's site or
 circumvent any of craigslist's access controls (e.g., IP address blocks), or from purchasing or
 harvesting craigslist user postings.

While it is doubtful that craigslist will ever collect its sizeable judgment, it will certainly raise the specter of such a large monetary award to future competitors and aggregators as an example of the potential consequences of engaging in unauthorized commercial scraping or spidering activities that run counter to craigslist's terms of use and any cease and desist letters revoking access to its site. We will continue to watch this case and similar data scraping disputes carefully.

© 2025 Proskauer Rose LLP.

National Law Review, Volume VII, Number 107

Source URL: https://natlawreview.com/article/craigslist-garners-60-million-judgment-against-radpad-scraping-dispute