

# EBay Must Face Punitive Damages For Some Stalking Claims

By **Rachel Scharf**

Law360 (November 1, 2024, 10:10 PM EDT) -- A Massachusetts federal judge held Friday that a pair of bloggers can pursue punitive damages from eBay Inc. on some of their civil claims over an "extraordinary and troubling" harassment campaign orchestrated by the e-commerce giant's security staffers.

U.S. District Judge Patti B. Saris issued a **mixed ruling** on the competing summary judgment motions filed by eBay and married couple David and Ina Steiner, who publish the blog EcommerceBytes from their Natick, Massachusetts, home.

Seven eBay security staffers have **pled guilty** since 2020 to terrorizing the Steiners in an attempt to silence their blog's critiques of the company. The couple now allege in **civil claims** that top eBay executives masterminded the harassment plot, while the company denies liability and blames a few "rogue employees."

The current motions **tasked Judge Saris** with deciding whether the Steiners can apply California law to seek punitive damages not normally available in Massachusetts. The judge answered the question in the affirmative Friday as to the claims for intentional infliction of emotional distress and civil conspiracy, noting that eBay workers engaged in online harassment and sent the Steiners threatening packages containing live spiders and a bloody pig mask from the company's headquarters in San Jose, California.

"Given that the conspiracy to harass, intimidate and threaten the Steiners originated in California and a substantial amount of the distressing conduct occurred there as well, California's interest in applying punitive damages to conduct that occurred within its borders by one of its resident corporations outweighs any interest Massachusetts might have in protecting eBay from excessive liability," Judge Saris wrote.

The judge sided with eBay on the remaining claims, however, holding that the Steiners cannot seek punitive damages for alleged trespassing, false imprisonment, defamation or violations of the Massachusetts Civil Rights Act.

According to Judge Saris, California law can't apply to those claims because they're "rooted in actions taken in Massachusetts." Those actions include vandalizing the Steiners' home, tailing them by car and on foot and sending pornography to the couple's neighbors.

A number of **other summary judgment motions** remain pending before the judge, including bids from individual former eBay executives to be freed from the case. Judge Saris recently pushed back a previous **March 2025 trial date** until those motions can be decided.

The seven eBay employees who have pled guilty to stalking the Steiners have received sentences ranging from probation to **nearly five years in prison**. eBay itself agreed in early 2024 to pay a **\$3 million criminal penalty** in the case.

A lawyer for the Steiners, Andrew Finkelstein of Finkelstein & Partners LLP, said in a Saturday comment that it's "scary that an American corporation can engage in a campaign of terror against innocent people who simply exercised their First Amendment rights."

"The Steiners know if they don't stand up to such corporate activities and ask a jury to hold eBay fully accountable, all corporations will presume they too can act in such despicable ways," Finkelstein told Law360. "That is why Judge Saris allowing the pursuit of punitive damages is so important. Punitive damages are intended to deter such behavior in the future, and the Steiners are pleased a jury will be able to send such a message with a money verdict."

Counsel for eBay did not respond to Law360's request for comment.

The Steiners are represented by Andrew G. Finkelstein, Brian D. Acard, Kenneth B. Fromson and Lawrence D. Lissauer of Finkelstein & Partners LLP, Marc A. Diller of Diller Law LLP, Christopher R. Murphy of Foster Scalli & Murphy LLC and Todd S. Garber and Bradley F. Silverman of Finkelstein Blankinship Frei-Pearson & Garber LLP.

EBay is represented by Jack W. Pirozzolo, Kathryn L. Alessi, Scott T. Nonaka, Daniel J. Feith, David A. Goldenberg, Lucas Croslow and Emily A. Rose of Sidley Austin LLP.

The case is Ina Steiner et al. v. eBay Inc. et al., case number 1:21-cv-11181, in the U.S. District Court for the District of Massachusetts.

--Additional reporting by Brian Dowling. Editing by Rich Mills.

*Update: This story has been updated with a comment from the Steiners' attorney.*