

SUPERIOR COURT OF NEW JERSEY LAW DIVISION, ESSEX VICINAGE DOCKET NO.: ESX-L-7209-24

ATLAS DATA PRIVACY CORPORATION, et al.,
Plaintiffs.

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COLE INFORMATION SERVICES, INC., et al., Defendants.

Petrillo, J.S.C.

FINAL OPINION AND ORDER

I. INTRODUCTION

This matter comes before the Court on Atlas Data Privacy's ("Plaintiffs") application for final judgment by default, injunctive relief, compensatory, and punitive damages, and attorneys' fees and costs against Defendant Cole Information Services, Inc. ("Cole"), following this Court's Interim Order (Tr. IDLCV20252229309) and the proof hearing held on August 5, 2025.

After careful consideration of the record, the evidentiary submissions, and the legal briefing, the Court finds the Plaintiffs have demonstrated entitlement to all relief sought under Daniel's Law. N.J.S.A. 56:8-166.1-166.3 The Court adopts the reasoning and factual contentions advanced by Plaintiffs, as supported by irrefutable evidence and uncontested by Defendant, who failed to participate at any point in this proceeding despite proper notice and opportunity.

II. PROCEDURAL HISTORY

Plaintiffs commenced this civil action against Cole, alleging repeated, ongoing violations of Daniel's Law, following Cole's disclosure and re-disclosure of home addresses and unpublished home telephone numbers ("Protected Information") of 10,060 Covered Persons, including the Individual Plaintiffs. See generally Complaint; Proof Hearing Transcript ("Tr.").

Plaintiffs affected service of process and subsequently provided Cole with written nondisclosure requests. Cole made no effort to comply. Cole failed to answer, make any appearance, respond to the complaint, or otherwise participate at any point during these proceedings.

After multiple subsequent disclosures of Protected Information, Plaintiffs moved for default judgment, including injunctive relief, statutory damages, punitive damages, and attorney's fees.

The Court conducted a comprehensive proof hearing on August 5, 2025, where Plaintiffs presented detailed evidence of Cole's ongoing violations and the harm suffered by the affected Covered Persons. <u>See</u> N.J.S.A. 56:8-166.1(d) (defining "Covered person").

All factual allegations in the Complaint were deemed admitted pursuant to <u>Heimbach v. Mueller</u>, 229 N.J. Super. 17, 22 (App. Div. 1988), and additional findings were placed by this Court on the record following the hearing.

III. FINDINGS OF FACT

The facts, as established at the proof hearing and confirmed in Plaintiffs' submissions, are as follows:

- 1. Cole's Conduct and Violations: For at least eighteen months, Cole has operated a database ("Cole Neighborhoods") that continued to make available or viewable, via its website and products, the home addresses and unpublished telephone numbers of thousands of Covered Persons, including law enforcement officials and their families, despite having received—and ignored—written nondisclosure requests. Tr. 56:11-57:25; PX:04, PX:10, PX:14-A, PX:19-A.
- 2. Scope and Recurrence of Disclosure: Plaintiffs demonstrated, with direct evidence, repeated disclosures of Protected Information, both through specific product searches and bulk database "downloads" to at least 139,064 users in 2025 alone. Each such access constitutes a separate "disclosure" under Daniel's Law. N.J.S.A. 56:8-166.1(d).

- 3. Individual Harm: The record contains compelling evidence of harms and risks to Covered Persons—stalking, doxing, and targeted threats facilitated by data broker disclosures. Comp. ¶18-21; Tr. 185:1-6.
- 4. Cole's Utter Failure to Participate: Cole made no appearance or defense, failed to honor valid nondisclosure requests, made no effort to comply with statutory obligations or to respond to numerous disclosures, and ignored the duly served Complaint and multiple opportunities for participation.
- 5. Volume of Violations and Damages: Through conservative statistical extrapolation and direct matching, Plaintiffs established that Cole's disclosures in the "Cole Neighborhoods" database resulted in at least 12,524 items of Protected Information being disclosed or redisclosed to at least 139,064 users during the seven-month period in 2025 across an estimated 10,060 Covered Persons. PX:14-A, PX:19-A; Tr. 144:20-23.

IV. LEGAL ANALYSIS AND RELIEF

A. Jurisdiction and Default

This Court has clear and uncontested subject matter jurisdiction under New Jersey law to adjudicate claims under Daniel's Law. Cole Information Services, Inc., as a registered business engaged in commercial activities in New Jersey, falls within the personal jurisdiction of the Superior Court of New Jersey, Law Division.

Following service and statutory notice, Cole failed to participate, respond, or communicate in any manner, despite receipt of the Complaint and multiple nondisclosure requests. Cole has made no effort to contact Plaintiffs or to comply with the law. Mere days before the August 5 proof hearing, Plaintiffs discovered more than 8,000 concurrent and unlawful disclosures of Protected Information on Cole's website impacting 6,813 Covered Persons.

Under New Jersey law, Cole's default and failure to appear or answer the Complaint constitute an admission to all facts properly pleaded. As this Court ruled, "a defendant's default admits every allegation of fact in the complaint which was susceptible of proof by legitimate evidence." Tr. 177:7-10 (quoting Heimbach, at 22). The record contains no exceptions applicable to this principle in the present case. As a result, Plaintiffs' allegations regarding Cole's receipt of notice, the content and validity of nondisclosure requests, and the ongoing pattern of violations are deemed admitted.

B. Daniel's Law-Purpose and Requirements

Daniel's Law was enacted in direct response to targeted acts of violence against public officials and their families, most notably the attack on U.S. District Judge Esther Salas, which resulted in the murder of her son, Daniel Anderl. The stated legislative and judicial findings establish that protection of Covered Persons—including judges, prosecutors, law enforcement officers, and child protective investigators—and their families is a governmental interest of "the highest order." See N.J.S.A. 56:8-166.3; Kratovil v. City of New Brunswick, 261 N.J. 1, 26 ("New Jersey's interest in protecting public officials from [] threats and thus ensuring that they may carry out their duties without fear of harm to themselves or their families is clearly a state interest of the highest order."); Atlas Data Privacy Corp. v. We Inform, LLC, 758 F.Supp.3d 322, 337 (D.N.J. 2024) ("Daniel's Law...serves a need to further a state interest of the highest order").

Daniel's Law works through an "empowerment mechanism" for Covered Persons and their families to shield home addresses and unpublished home telephone numbers from disclosure. The mechanism is triggered by written notification, which starts a statutory 10-business-day compliance period. N.J.S.A. 56:8-166.1(a)(1). Post-compliance, any disclosure or "making available or viewable within a searchable list or database"—even if no specific search is performed—constitutes a separate violation. The statutory definition of "disclose" is exceptionally broad:

"'Disclose' means to solicit, sell, manufacture, give, provide, lend, trade, mail, deliver, transfer, post, publish, distribute, circulate, disseminate, present, exhibit, advertise, or offer, and shall include making available or

viewable within a searchable list or database, regardless of whether a search of such list or database is actually performed." N.J.S.A. 56:8-166.1(d).

Across the supplied evidence, Cole both failed to honor valid opt-out requests and repeatedly made such information available through its systems, products, and website for periods far exceeding the 10-day compliance window.

C. Injunctive Relief and Domain Name Transfer

Plaintiffs seek robust and indefinite injunctive relief—including transfer of the domain name coleinformation.com to Atlas Data Privacy Corporation—to prevent further and ongoing violations.

- Legal Basis: Daniel's Law specifically authorizes the court to award "any other preliminary and equitable relief as the court determines to be appropriate." N.J.S.A. 56:8-166.1(c)(4).
- Need and Justification: The record demonstrates Cole's platform and domain are the primary means through which unlawful disclosures continued. Leaving Cole in control of its domain would be ineffective, especially given Cole "cannot be trusted to honor valid first party nondisclosure requests or even show up to court, much less adhere to such an injunction."
- Precedent: The source details three prior Daniel's Law cases—Atlas v. SCSD Holdings, Previlon, and Lucky2Media—in which New Jersey courts granted plaintiffs similar domain seizures for persistent violations. The two-step process employed (directing Verisign, Inc. and NameCheap, Inc. to effectuate change of ownership and registration) is firmly established by these rulings. See also Salorio v. Glaser, 93 N.J. 447, 469 (1983) ("[T]he court of equity has the power of devising its remedy and shaping it so as to

¹ <u>See Atlas Data Privacy Corp. v. SCSD Holdings, LLC</u>, No. MER-L-299-24, slip op. (N.J. Super. Ct. Law Div. Feb. 26, 2025); <u>Atlas Data Privacy Corp. v. Previlon. LLC</u>, No. MER-L-294-24, slip op. (N.J. Super. Ct. Law Div. June 25, 2025); <u>Atlas Data Privacy Corp. v. Lucky2Media. LLC</u>, No. MER-L-286-24, slip op. (N.J. Super. Ct. Law Div. June 25, 2025).

fit the changing circumstances of every case and the complex relations of all the parties." (internal quotations omitted)).

• Remedial Scope: The requested relief includes: (1) indefinite enjoinment of any use, control, or transfer of coleinformation.com by Defendant; (2) immediate change of registrar and registrant information to Plaintiff Atlas; (3) direction to Verisign and NameCheap for technical transfer steps; and (4) notice to all companies in active concert (registries, search engines, hosting providers) to cease facilitating access.

Crucially, the seizure applies only to the domain name itself—not to Cole's underlying business, databases, or other assets.

D. Statutory Damages

1. Statutory Framework under Daniel's Law

Daniel's Law mandates that a plaintiff harmed by the unlawful disclosure or re-disclosure of Protected Information is entitled to "actual damages, but not less than liquidated damages computed at the rate of \$1,000 for each violation of this act." Additionally, Plaintiffs may recover attorneys' fees, punitive damages, and equitable relief. N.J.S.A. 56:8-166.1(c)(3).

The explicit legislative intent is to impose liability with substantial minimum statutory damages for violations, in recognition of the unique risks and harm posed by repeated, unauthorized dissemination of Protected Information. See Kratovil, at 5 (citing N.J.S.A 56:8-166.1(b) to (c)). This statutory schedule is not limited by proof of individual injury, but rather is designed to deter future misconduct and compensate for repeated violations. See Kratovil, at 29 ("Given the grave threats to public officials, tragically illustrated by the murder of the young man for whom Daniel's Law is named, it was the Legislature's judgment to deter reckless and intentional disclosures of a discrete category of information by prescribing [] penalties for such disclosures").

2. Definition and Multiplicity of Violations

The law defines "disclose" broadly to include making information "available or viewable within a searchable list or database, regardless of whether a search of such list or database is actually performed." N.J.S.A. 56:8-166.1(d).

The statute, as interpreted in the moving papers and addressed on the record, (See Tr. 154:22–24, 154:25–155:2), it permits separate damages for:

- Each item of Protected Information disclosed or re-disclosed (e.g., home address or unpublished telephone number),
- Each Covered Person, and
- Each distinct instance that such information is made available or viewable following the expiration of the statutory 10-business-day compliance period.

This means that if a defendant repeatedly fails to remediate, multiple violations can accrue for each covered person over time—particularly when their information is exposed continuously or at intervals. See Cothron v. White Castle Sys., 216 N.E.3d 918 (Ill. 2023)(describing analogous privacy statutes).

3. Evidentiary Basis for Calculation

Plaintiffs presented direct and inferential evidence, including expert analysis, showing:

- Scale of Disclosure: Cole's "Cole Neighborhoods" database made available or viewable at least 12,524 distinct items of Protected Information associated with 10,060 Covered Persons during the relevant period. Tr. 154:15, 171:4.
- Frequency of Access: From January 1 to July 21, 2025, the Cole Neighborhoods database was accessed by at least 131,879 users. PX:04 at 27.
- **Duration**: Plaintiffs established that Protected Information remained in Cole's database over continuous periods, sometimes spanning at least twelve months, and was accessible throughout. Tr. 89:3–16.

4. Conservative Time-Based Damages Formula

Recognizing that a literal per-access calculation would generate exponentially higher damages, Plaintiffs—in exercise of restraint and fairness—proposes a conservative "time-based" formula for statutory damages:

- Ten-Business-Day Interval: No more than one statutory violation (and thus \$1,000 in damages) accrues per item of Protected Information for each discrete 10-business-day interval in which the information is unlawfully disclosed or re-disclosed—regardless of the number of accesses during that interval.
- For the seven-month period of January 1, 2025, through July 30, 2025, there are 14 full 10-business-day intervals (accounting for business days and holidays).
- Thus, each item of Protected Information, if continuously disclosed for all 14 intervals, yields $$1,000 \times 14 = $14,000$ in statutory damages per item during this period.

5. Aggregate Damages Calculation

Multiplying \$14,000 times the 12,524 items of Protected Information disclosed yields total compensatory statutory damages of \$175,336,000. This amount represents damages for continuous unlawful disclosure to thousands of users over a seven-month period. The average recovery per individual plaintiff or covered person thus totals \$17,429. See Plaintiff Br. at 21-23 (explaining calculations in greater detail).

This approach is deliberately conservative in light of Cole's default, lack of discovery, and the Court's interest in ensuring that the damages are "appropriate and reasonable under the circumstances." Plaintiff Br. at 23. Plaintiffs expressly reserve the right to seek damages for earlier time periods or a higher per-access measure if new evidence is uncovered or the default judgment is later challenged. Id. at 21 n.11.

6. Proportionality and Due Process Considerations

Plaintiffs note, and the record supports that statutory damage awards—when aggregated for large classes—have at times prompted constitutional review for proportionality under the Due Process Clause. See St. Louis, I.M. & S. Ry. Co. v. Williams, 251 U.S. 63, 66–67 (1919); Gennari v. Weichert Co. Realtors, 288 N.J. Super. 504 (App. Div. 1996). The selected formula here avoids the necessity for constitutional scrutiny by staying within measured, repeatable parameters that fit both the statutory language and purpose. See Plaintiff Br. at 22 n. 10.

7. Comparison to Prior Judgments

The record reflects that in three previous default judgment cases under Daniel's Law, New Jersey courts have awarded between \$5,545 and \$45,557 per covered person for shorter disclosure periods, underlining the present award as within the range of recent precedent. <u>Id</u>.

8. Conclusion

In summary, the Court finds:

Each separate act of disclosure or making available after the compliance period constitutes a violation for statutory damages purposes.

The conservative method adopted by Plaintiffs—one violation per item per 10-business-day interval—is adopted by the Court as it is both consistent with the law and reasonable.

Cole's persistent and repeated unlawful disclosures merit total statutory damages of \$175,336,000, with the individual average recovery and overall approach balancing compensation, deterrence, and proportionality.

E. Punitive Damages

1. Statutory Authority and Standard

Punitive damages in New Jersey are governed by the New Jersey Punitive Damages Act ("NJPDA"), codified at N.J.S.A. 2A:15-5.12. The Act provides that punitive damages "may be awarded to the plaintiff only if the plaintiff proves, by

clear and convincing evidence, that the harm suffered was the result of the defendant's acts or omissions, and such acts or omissions were actuated by actual malice or accompanied by a wanton and willful disregard of persons who foreseeably might be harmed by those acts or omissions." <u>Id.</u>; <u>Fischer v. Johns-Manville</u>, 103 N.J. 643, 671 (1986).

The definition is supplemented in the record, as the Court stated: "Willful or wanton conduct is a deliberate act or omission with knowledge of a high degree of probability of harm to another who foreseeably might be harmed...and reckless indifference to the consequence of the act or omission." Tr. 185:1-6.

Punitive damages "are designed to require the wrongdoer to pay an amount of money that is sufficient to punish [the defendant] for particular conduct and to deter that party from future misconduct." They are described as a "hybrid between a display of ethical indignation and the imposition of a criminal fine." <u>Cabakov v. Thatcher</u>, 37 N.J. Super. 249, 259.

Punitive damages awards must "bear some reasonable relationship to actual injury," and are statutorily capped at five times the compensatory damages or \$350,000, whichever is greater. N.J.S.A. 2A:15-5.14.

2. Statutory Factors and Application to Cole

The NJPDA sets forth non-exhaustive factors for determining whether and to what amount punitive damages may be awarded:

(i) Likelihood of Serious Harm

- The record repeatedly documents the "serious risks and harm" posed to Covered Persons whose information is unlawfully disclosed, including stalking, threats, doxing, and actual physical attacks. These risks are not hypothetical: "The murder of Daniel Anderl underscored the vulnerability of public officials and their families and brought local and national attention to this issue." Plaintiff Br. at 26.
- Individual plaintiffs described targeted harassment and threats enabled by data broker disclosures. <u>See Comp. ¶18–21</u>. Jane Doe-1 and her family suffered doxing and surveillance; Jane Doe-2 discovered that

- an inmate obtained a staff member's home address; the Maloneys experienced numerous harassing phone calls and death threats after their information was posted online.
- Congress, in passing the federal Daniel Anderl Judicial Security and Privacy Act, found a "nearly five-fold increase in threats and other inappropriate communications against Federal judges and other judiciary personnel." Pub. L. No. 117-263, § 5932(a)(2), 136 Stat. 3458, 3459 (2022) (Findings).

(ii) Defendant's Awareness and Reckless Disregard

- Cole, as a sophisticated data broker, expressly acknowledges in its own terms of service and public representations that misuse of its data can cause harm and that it must comply with opt-out requests. PX:04 at p. 13, PX:05, PX:06. Its refusal to honor nondisclosure requests despite national attention given to this statute and clear statutory notice, establishes "reckless disregard of the likelihood that serious harm at issue would arise." Tr. 191:22–192:5.
- The Complaint, served on Cole and explicitly describing the risks to covered individuals, was ignored. The record establishes that Cole was aware of the risks of continuing to disclose thousands of items of Protected Information in violation of Daniel's Law. Nevertheless, it has continued to do so.

(iii) Defendant's Conduct After Becoming Aware; Duration; Concealment

- Cole made no meaningful effort to change its practices in the more than 18 months since receiving the written nondisclosure requests in this case.
- The persistent failure to act, refusal to participate in the judicial process, and continuous unlawful activity supports a finding of willfulness and wantonness. The harms therefore have not ceased; they persist on a large scale and with no indication that they will abate absent action by this Court.

(iv) Profitability; Financial Condition

- While Cole's exact financial status is not in evidence due to its failure to participate, the Court can reasonably infer profitability and substantial resources from Cole's own marketing materials and the scale of business described—hundreds of millions of records, tens of thousands of users, a sophisticated, professional web presence. PX:04 at 8, 12.
- "Cole is no 'beleaguered mom and pop operation.'" See Tr. 116:22.

3. Amount of Punitive Damages

Calculation and Reasonableness

Plaintiffs seek \$43,000,000 in punitive damages, calculated as a "modest 0.25x multiplier (or 25% of the compensatory damages)," well within the statutory cap of five times compensatory damages ($$175,336,000 \times 0.25 = $43,000,000$). See Plaintiff Br. at 5, 31.

This multiplier is justified by the egregious, prolonged, and knowing nature of Cole's violations, the risks and harms demonstrated, and the need for deterrence.

The amount bears a reasonable relationship to the compensatory damages requested herein. Previous cases have awarded even higher ratios where warranted by the facts, and a similar privacy case awarded \$5 million in punitive damages versus \$3.7 million in compensatory damages to a single victim. See J.G. v. Jones, 2025 U.S. Dist. LEXIS 133149, at *3 (D.N.J. July 14, 2025).

4. Deterrence and Judicial Rationale

The record, together with the factors above, supports a substantial punitive award both to punish Cole and to deter future violations. This is consistent with both the statutory aims and "the highest order" of public interest recognized in the legislative history and case law. See Plaintiff Br. at 7-11 (quoting N.J.S.A. 56:8-166.3; Kratovil, at 26). The Court emphasizes Cole's "reckless disregard for Daniel's Law, the government interests it protects, and the risks and harm imposed upon the Covered Persons involved in this case" Plaintiff Br. at 32.

5. Conclusion

Punitive damages in the amount of \$43,000,000 are awarded. The Court finds that this measure is justified by Cole's long-term, knowing, and profit-driven

violations, its indifference to legal obligations, and the very real life-or-death risks perpetuated by such unlawful conduct.

F. Attorneys' Fees and Costs

Daniel's Law permits recovery of attorneys' fees and costs for the prevailing party. N.J.S.A. 56:8-166.1(c)(3). Plaintiffs' application for fees and costs is hereby **GRANTED**. A separate opinion and order will be issued in connection with fees and costs.

V. CONCLUSION

This Court finds that Cole Information Services, Inc. has violated Daniel's Law in an egregious, reckless, and deliberate fashion, causing ongoing harm and risk to thousands of Covered Persons while failing entirely to appear or defend. The record evidence is overwhelming. Defendant's utter and continued default is inexcusable. The Court hereby **GRANTS** all relief sought by Plaintiffs, for the reasons and with the factual and legal support set forth above and in Plaintiffs' briefs and supporting record.

ORDERS:

- 1. Permanent Injunction and Domain Transfer: Defendant and all persons acting in concert are permanently enjoined from violating Daniel's Law, and the domain name coleinformation.com shall be immediately transferred to Plaintiff Atlas Data Privacy Corporation as detailed above.
- 2. Compensatory Damages: Judgment is entered for Plaintiffs against Cole in the amount of \$175,336,000.
- 3. Punitive Damages: Judgment is entered for Plaintiffs against Cole in the amount of \$43,000,000.
- 4. Attorneys' Fees and Costs: Plaintiffs shall recover reasonable attorneys' fees and costs as set forth in their application (see separate order and opinion)
- 5. Further Relief: All Internet service providers, registrars, registries, and other entities with control over the domain shall comply with this order and prevent further access and use of the website in violation of Daniel's Law.

The relief is awarded in full. Defendant's willful default and statutory violations implicate grave and ongoing risks to Covered Persons, warranting the Court's full exercise of equitable, statutory, and procedural authority. The Court commends Plaintiffs' counsel for the professionalism, diligence, and clarity of their submissions.

A memorializing order will be filed simultaneously with this opinion.