
Dear Chair Jackson and members of the committee:

We ask that you support SB 342 as it will help protect California residents from deceptive and misleading concert and sports ticket website domains and enjoyed overwhelming support from the legislature.

Fans across California regularly search online for tickets to their favorite concerts and shows. Unfortunately, many fans are misled by deceptive domain names in search results, which are designed to trick fans into thinking they are seeing unsold seats offered by the venue.

Take for example, a fan looking to see the popular musician Pink coming to Sacramento’s Golden 1 Center for a concert on April 10.

When a California fan searches for “pink in sacramento”, the first page of search result shows 2 web domains that are designed to deceive fans into thinking they are the official website of Golden 1 Center:

The domain names golden1.centersacramento and golden1center are unaffiliated with Pink and would be an obvious violations of SB 342, which prohibits unauthorized uses of the name of the actual venue, Golden 1 Center.

Moreover, a fan’s search for “pink in sacrament0” brings up one of the most egregious examples of a deceptive domain name pretending to be the artist:

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Moreover, a fan’s search for “pink in sacrament0” brings up one of the most egregious examples of a deceptive domain name pretending to be the artist:
The domain names pinksacramento.com is a flagrant violation of SB 342’s prohibition of unauthorized use of the name of the artist. And that deceptive domain takes a fan to a web page that is further designed to deceive:

![Pink Sacramento Tickets](image)

The fine-print at the bottom of the screen above does little to inform a Pink fan that the site is not in any way affiliated with the actual artist Pink.

Why would ticket brokers go to such great lengths to deceive a fan into thinking they have landed on the official website showing unsold seats?

That becomes clear when you click on “BUY TICKETS” on that page, which takes you to a page showing only resale tickets, at markups of 200% over unsold seats that are still available at face value:

![Ticketing Website](image)

Note that a few broker resale seats are shown for up to $508 in section Floor 6.
Meanwhile, there were over 30 unsold seats in Floor 6 section available for that show, on the official website for the Golden 1 Center. The actual venue offers all Floor 6 seats at $25.5, as seen below:

This deceptive domain ticket website is charging twice the face value of seats in the same section that were readily available.

These deceptive domains add no value for consumers when unsold seats are still available at the venue/promoter website. And when a show is actually sold-out, fans can turn to trusted secondary market websites where they can see a larger selection of resale seats.

As you can see, there is little to alert California fans that this site has no affiliation with the artist, tour, or venue. These deceptive sites may have fine-print disclosures about their lack of affiliation with the artist or venue, but such disclosures are rarely noticeable to fans.

SB 342 would make this example an “unfair or deceptive trade practice” and subject the owner to enforcement and penalty provisions.

Deceptive domain names are luring California fans into over-paying for a small selection of resale seats offered by professional ticket brokers. Those fans are not aware that unsold are actually available at the venue website. The Better Business Bureau has logged hundreds of complaints against these tactics.

A good way to stop this deception is to prohibit misuse of artist or venue names in domain names. Other states have taken action to stop these deceptive domains. Maryland and New Jersey recently enacted laws criminalizing these deceptive domain names. The Connecticut Attorney General and the Federal Trade Commission settled with two notorious deceptive domain operators, resulting in a permanent injunction and $1.4 million in fines.¹

Also, the approach taken by SB 342 is on solid legal grounds. The US Supreme Court made clear that state can enact laws curbing this type of misleading commercial speech.²

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¹ Federal Trade Commission, TicketNetwork and Marketing Partners Ryadd and Secure Box Office Settle Charges of Deceptively Marketing Resale Tickets (July 24, 2014)

² See, Central Hudson Gas & Electric Corp. v. Public Service Commission 447 U.S. 557 (1980). The US Supreme Court in an 8–1 decision, created the four-step test for when commercial speech can win on a first amendment claim: (1) the speech has to concern a lawful activity and cannot be misleading; (2) the asserted governmental interest is substantial, (3) the regulation “directly advance[s] the governmental interest asserted,” and (4) the regulation is “no more extensive than is necessary to serve the interest.”
In the case of this bill it goes directly at commercial speech that is misleading. California should join other states in stopping this deception. We ask that you support SB 342 and empower your Attorney General with the tools to stop these bad actors and protect California fans from this deception.

Sincerely,
Carl M. Szabo
Vice President & General Counsel, NetChoice
NetChoice is a trade association of e-Commerce and online businesses. See www.netchoice.org