

NetChoice *Promoting Convenience, Choice, and Commerce on The Net*
Carl M. Szabo, General Counsel
1401 K St NW, Suite 502
Washington, DC 20005
202-420-7485
www.netchoice.org



May 15, 2018

Governor Larry Hogan
State House
100 State Circle
Annapolis, MD 21401 - 1925

RE: Support for HB740/SB693, Ticket website domain names

Dear Governor Hogan:

We ask that you sign into law, HB740/SB693 as it will help protect Maryland residents from deceptive and misleading concert and sports ticket website domains.

Fans across Maryland 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 Cher in concert this weekend at the MGM theater at National Harbor. That fan enters “**cher national harbor**” in her search engine, and here’s the top result she sees:

This is a screenshot of a search result for 'Cher National Harbor | 2018 Tickets On Sale Today'. The text includes an advertisement for 'www.theaternationalharbor.com/' and lists features like 'Cher Concert Resale Tickets', 'The Theater at National Harbor Oxon Hill, MD', 'Last Minute Tickets', 'Secure Checkout', 'A+ Rated', '100% Guarantee', 'Instant Download', and 'eTickets'.

Despite the domain name, **theaternationalharbor.com**, this site has *no affiliation* with MGM National Harbor. In fact, this website is run by a ticket resale outfit that shows only tickets offered by brokers – at significant markups over regular seats still available at National Harbor.



The website theaternatioanlharbor.com makes it appear they are the official site for National Harbor, and displays Section 3 seats for Saturday night’s show at over \$400 (see image at right).

But over at MGM’s official ticket website, **there are still dozens of unsold seats in Section 3, at the face value of \$270.**

This is a screenshot of the National Harbor Tickets website. The header reads 'CHER, THE THEATER AT MGM NATIONAL HARBOR' with the date 'Feb 17, 2018 — 8:00 PM — Oxon Hill, MD'. Below the header is a filter section with 'FILTER: Qty Any', 'Price: Min \$ 142', and 'Max \$ 469'. The 'SORT BY' is set to 'Price: High to Low'. There are two ticket listings: 'FLOOR 3 Row K' for \$463.00 each and 'FLOOR 3 Row B' for \$446.00 each. Both listings have a 'BUY' button and an 'Email delivery' option.

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 Maryland 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.

HB740/SB693 would make this example an “unfair or deceptive trade practice” and subject the owner to enforcement and penalty provisions.

Another example of deceptive domain names that would be prohibited by HB740/SB693 is BlakeSheltonShows.com, a website offering only resale tickets for the Blake Shelton concert at Royal Farms Arena on March 16:

Event	Venue	Date/Time	View Tickets
Blake Shelton, Brett Eldredge, Carly Pearce & Trace Adkins	BOK Center Tulsa, OK	Thu 2/15/18 7:00pm	View Tickets
Blake Shelton, Brett Eldredge, Carly Pearce & Trace Adkins	United Supermarkets Arena Lubbock, TX	Fri 2/16/18 7:00pm	View Tickets
Blake Shelton, Brett Eldredge, Carly Pearce & Trace Adkins	Pan American Center Las Cruces, NM	Sat 2/17/18 7:00pm	View Tickets
Blake Shelton, Brett Eldredge, Carly Pearce & Trace Adkins	Van Andel Arena	Thu 2/22/18	View Tickets

In fact, this tickets website is not for Blake Shelton or his tour, but is run by TicketMagic, a ticket-reseller with an “F” rating from the Better Business Bureau.¹

Deceptive websites like **theaternationalharbor.com** and **BlakeSheltonShows.com** are luring Maryland 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 artist or venue names from being used in domain names. Other states have taken action to stop these deceptive domains. Nevada recently enacted a law criminalizing these deceptive domain names. The Connecticut Attorney General and the Federal

¹ In addition, according to the Better Business Bureau, TicketMagic has 21 complaints filed against it. In the Bureau’s latest investigation, they “were unable to locate the identified addresses and mail sent was returned as ‘undeliverable’ or ‘address unknown’.” See Better Business Bureau *available at* <https://www.bbb.org/connecticut/business-reviews/event-ticket-sales/ticketmagic-com-inc-in-east-haven-ct-87124953>

Trade Commission settled with two notorious deceptive domain operators, resulting in a permanent injunction and \$1.4 million in fines.²

Also, the approach taken by HB740/SB693 is on solid legal grounds. The US Supreme Court made clear that state can enact laws curbing this type of misleading commercial speech.³

In the case of our bill, this goes directly at commercial speech that is misleading.

Maryland should join other states in stopping this deception. HB740/SB693 gives your Attorney General the power to take action against these bad actors.

We ask that you sign into law HB740/SB693 and empower your Attorney General with the tools to stop these bad actors and protect Maryland fans from this deception.

Sincerely,



Carl M. Szabo
General Counsel, NetChoice

NetChoice is a trade association of e-Commerce and online businesses. See www.netchoice.org

² Federal Trade Commission, *TicketNetwork and Marketing Partners Ryadd and Secure Box Office Settle Charges of Deceptively Marketing Resale Tickets* (July 24, 2014)

³ 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.”