

Attorney General Peter F. Neronha

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## Attorney General Neronha takes action to protect consumers from speculative ticket sellers

Attorney General Peter F. Neronha announced today a series of steps to combat deceptive and unfair practices in the ticket resale marketplace in Rhode Island. The Attorney General's multi-month investigation into the sale of speculative tickets has led to refunds for Rhode Island consumers, the removal of thousands of speculative tickets to events in Rhode Island from online ticket resale platforms, and the sanction of ticket sellers found to have listed or sold inadequately disclosed speculative tickets.

While the investigation is ongoing, settlements with three online ticket sellers filed yesterday in Providence Superior Court will prohibit the future sale of inadequately disclosed speculative tickets in Rhode Island from Venue Kings Ticket Brokers Inc., based in Vancouver, Canada; Front Row Tickets Inc., based in Tarpon Springs, Florida; and National Tixx LLC, based in Burbank, California.

"Deceptive practices in the ticket resale market – like speculative ticket sales – confuse and rip off consumers, often inflating prices and not delivering what was paid for," said Attorney General Neronha. "Our investigation revealed that consumers who purchased speculative tickets to 'Hamilton' paid, on average, \$479 per ticket, while the average price of those tickets from the venue was approximately \$145. More broadly, inflated ticket prices prohibit hardworking Rhode Islanders from getting to see these in-demand performances."

During the course of the investigation, the Office discovered that for just one event, the upcoming performance of the musical "Hamilton" at the Providence Performing Arts Center, more than 4,000 speculative tickets were offered online, which resulted in actual speculative ticket sales of at least \$214,000.

The agreements reached by the Attorney General and ticket sellers, filed yesterday as Consent Decrees, not only prohibit the future sale of inadequately disclosed speculative tickets, but subject the companies to significant civil penalties if they are found to have made such a sale. The sellers' ability to sell through online platforms, which are their principle method of conducting legitimate sales, would also be at risk if they unlawfully advertise a speculative ticket.

Cooperation from several of the major online ticket resale platforms – including Ticketmaster and StubHub, whose terms of use prohibit speculative ticket sales – aided in the investigation. As a result, these platforms took the following steps to curb the sale of speculative tickets:

- Offered full refunds to Rhode Island consumers who had purchased inadequately disclosed speculative tickets
- Removed hundreds of speculative ticket listings for events at Rhode Island venues
- Sanctioned ticket sellers found to have listed or sold speculative tickets in Rhode Island

"We are not just talking about the theater. We are seeing this practice with basketball games, concerts, and more. Ensuring fair conduct in this economic market is important because it is a gateway to performing arts, cultural events, and professional and college sports, all of which matter greatly to our state," said Attorney General Neronha. "My Office will continue to monitor future conduct and pursue legal action when necessary to protect Rhode Island consumers."

## What are speculative tickets?

Inadequately disclosed speculative tickets are tickets that are listed online for sale, but the seller has not yet purchased the ticket and does not disclose that fact to buyers. These types of speculative tickets pose the risk of never actually being delivered. In some instances, a buyer will not receive the exact tickets they paid for or may not receive the tickets at all.

Such sales violate Rhode Island's Deceptive Trade Practices Act, the state's main consumer protection law.

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