

CONSUMER PROTECTION DIVISION,  
OFFICE OF THE ATTORNEY GENERAL,  
200 St. Paul Place, 16<sup>th</sup> Floor  
Baltimore, Maryland 21202,

Proponent,

v.

EVENT TICKET SALES, LLC dba  
Secure Box Office  
7202 Giles Rd Ste 4 #330  
Lavista, NE 68128,

and

GUINIO VOLPONE  
13810 Hamilton St.  
Omaha, NE 68154-5112,

Respondents.

\* IN THE CONSUMER  
\* PROTECTION DIVISION  
\* OFFICE OF  
\* THE ATTORNEY GENERAL  
\* OF MARYLAND

ADMINISTRATIVE HEARING PROCESS

SEP 23 2019

FILED

Office of the Attorney General  
Consumer Protection Division

CPD Case No. 19-044-316071

\* \* \* \* \*

**STATEMENT OF CHARGES**

1. The Consumer Protection Division of the Office of the Attorney General of Maryland institutes this proceeding on behalf of the State of Maryland to enjoin Event Ticket Sales, LLC, and Guinio Volpone (collectively, the "Respondents") from engaging in unfair or deceptive trade practices in the course of offering and selling consumer goods and to obtain relief for Maryland consumers victimized by Respondents' unfair or deceptive trade practices.

2. Respondents own, operate, or control websites that resell entertainment event tickets to Maryland consumers, but at significant premiums. In connection with this business, Respondents have violated, and continue to violate, Maryland's Consumer Protection Act and Maryland's Interference With Internet Ticket Sales law by misleadingly using lower-level internet domain names (also called subdomains) that contain the names of the venues or events for which

the tickets they resell grant admission, the names of entertainers scheduled to appear at the relevant events, or similar names. This practice has the tendency, effect, or capacity of deceiving consumers into believing that the Respondents are selling tickets on behalf of or are otherwise affiliated with the relevant venues, events, or entertainers when they are not, and at the tickets face value rather than at a premium, thereby inducing consumers to overpay for their tickets.

### **The Parties**

3. The Proponent in this proceeding is the Consumer Protection Division of the Office of the Attorney General of Maryland. The Proponent brought this proceeding to redress violations to date, and to prevent future violations of Maryland's Consumer Protection Act, Md. Code Ann., Com. Law §§ 13-101 through 13-501 (2013 Repl. Vol, 2018 Supp.) (the "Consumer Protection Act" or the "Act"), and Maryland's Interference With Internet Ticket Sales law, Md. Code Ann. §§ 14-4001 through 14-4004 (the "Interference With Internet Ticket Sales Law").

4. Respondent Event Ticket Sales, LLC ("ETS") is a limited liability company organized under the laws of the State of Nebraska and lists the address for its principal office as 7202 Giles Rd Ste 4 #330, Lavista, Nebraska 68128. ETS offers, advertises, and sells resale or secondary market event tickets to consumers in Maryland, among other places, through websites that it owns, operates, or controls including SecureBoxOffice.com and box-officetickets.com. ETS conducts business in Maryland under the multiple names including, but not limited to, Secure Box Office, Ticket Office Sales, Box Office Tickets, SecureBoxOffice.com, and box-officetickets.com.

5. Respondent Guinio Volpone ("Volpone") is a resident of Nebraska and is an owner and an officer of ETS. As an owner and/or officer of ETS, Respondent Volpone possessed and exercised the authority to control the policies and trade practices of ETS; was responsible for

creating and implementing the alleged unfair or deceptive trade practices that are described herein; participated in the alleged unfair or deceptive trade practices that are described herein; directed or supervised those employees of ETS who participated in the alleged unfair or deceptive trade practices that are described herein; or knew or should have known of the unfair or deceptive trade practices that are described herein and had the power to stop them, but rather than stopping them, promoted their use.

**The Maryland Interference With Internet Ticket Sales Law**

6. Under the Maryland Interference With Internet Ticket Sales Law, other than someone “who is acting on behalf of a venue,” a “person who owns, operates, or controls a ticket website may not use in the URL of the ticket website a lower-level domain name that contains”

- (1) The name of the venue for which the ticket grants admission;
- (2) The name of the entertainment event, including the name of an individual or a group scheduled to perform or appear at the event; or
- (3) A name substantially similar to the name in item (1) or (2) of this subsection.

*Id.* at § 14-4003(b).

7. A “ticket website” is defined as any website

- (1) Advertising the sale or resale of tickets;
- (2) Offering the sale or resale of tickets; or
- (3) Facilitating a secondary ticket exchange or electronic marketplace that enables consumers to sell, purchase, and resell tickets to an entertainment event in [Maryland].”

*Id.* at § 14-4001(e).

8. A URL is “the Uniform Resource Locator for a website,” *i.e.*, a website’s internet address. *Id.* at § 14-4001(f). A lower-level domain name is “the portion of text in a URL that is to the left of top-level domain names such as .com, .net, or .org” *id.* at § 14-4001(c) and is also known as a subdomain.

9. This law seeks to prevent secondary market ticket resellers – people who resell previously purchased tickets at often considerable premiums – from deceiving consumers into overpaying for tickets by misleading them into believing that the resellers are the venue or event’s official ticket seller, or are otherwise affiliated with or authorized by the relevant venue or event, when they are not, and that the advertised price is the face value of the ticket.

10. The statute holds that a violation of § 14-4003 constitutes “[a]n unfair or deceptive trade practice within the meaning of” the Consumer Protection Act that is subject “to the enforcement and penalty provisions contained in” the Consumer Protection Act.

#### **Statement of Facts**

11. The Respondents engage in the offer and sale of consumer goods in the State of Maryland, including through their offer and sale of secondary market event tickets on ticket websites that they own, operate, or control such as SecureBoxOffice.com and box-officetickets.com.

12. The Respondents do not act on behalf of venues when they sell tickets. Rather, Respondents are secondary market ticket resellers who take event tickets that have already been purchased (or will in the future be purchased) from a venue or its official ticket seller on the primary market and resell those tickets at a large premium.

13. In the course of reselling tickets to Maryland consumers and others, Respondents’ ticket websites’ use URLs with lower-level domain names that include the names of venues or events for which the tickets Respondents are reselling grant admission, the names of individuals or groups scheduled to perform or appear at a relevant event, or similar names.

14. As a result, when consumers perform an internet search for tickets, the search result hit for Respondents’ websites will show a URL link that that begins with the name of the venue or

event, misleading consumers into believing that Respondents' website is the official ticket website for the venue or is otherwise sponsored or endorsed by the venue or event. Typically, even after a consumer clicks on the link and enters Respondents' website, the internet browser's website address field continues to reflect the misleading URL, further misleading consumers. Through these deceptive practices, Respondents seek to charge substantial premiums and fees that can be greater than the face value of the tickets.

15. Respondents' practice violates the Maryland Interference With Internet Ticket Sales Law, as set forth above. Likewise, Respondents' false implication that they are sponsored or approved by the relevant event or venue, when they are not, and failure to disclose that they are, in fact, ticket resellers who are reselling tickets at a substantial premium, are also unfair or deceptive trade practices that have the capacity, tendency, or effect of misleading consumers and are prohibited by the Consumer Protection Act.

16. Respondents' ticket websites include disclosures to the effect that each website is an "independent resale marketplace" and that "prices may be above face value," but the disclosures are vague, in fine print, and can easily be missed by consumers. And, even if consumers notice and read the Respondents' disclaimer, when an advertiser induces its first contact with consumers through deception, even if a buyer later becomes fully informed, the initial contact still misled consumers and constitute a violation of the Consumer Protection Act. Moreover, the Respondents' disclaimers are irrelevant to and do not rectify Respondents' violations of the Maryland Interference With Internet Ticket Sales Law.

17. For instance, from at least February 17 through March 16, 2019, Respondents misleadingly caused their ticket website [secureboxoffice.com](http://secureboxoffice.com) to use "gaithersburgartsbarn" as part of its lower-level domain name in offering and selling secondary market tickets for events at the

Gaithersburg Arts Barn, a publicly owned theatre in Gaithersburg, Maryland, although the venue has never engaged or authorized Respondents to sell tickets on its behalf.

18. Consumers looking for tickets to events at the Gaithersburg Arts Barn were directed by internet searches to Respondents' URL [gaithersburgartsbarn.secureboxoffice.com](http://gaithersburgartsbarn.secureboxoffice.com) and they were confused about whether Respondents' website – which was charging as much as \$47 dollars for tickets with a face value of \$22 – was acting as the venue's official ticket seller or was otherwise affiliated with the venue.

19. Respondents continue to engage in these deceptive practices and to violate Maryland law, including by continuing to generate search results on the Internet that show Respondents' website with the misleading and deceptive URL [gaithersburgartsbarn.box-officetickets.com](http://gaithersburgartsbarn.box-officetickets.com).

20. Respondent Volpone personally participates in the foregoing practice and/or knows of the foregoing practice and has the authority to stop it but rather than stopping it, helps to bring it about.

#### **Violations of the Consumer Protection Act**

21. The Respondents' practices, as set forth above, constitute unfair or deceptive trade practices in the sale and offer for sale of consumer services in violation of '13-303 of the Consumer Protection Act.

22. The Respondents' resale of tickets to consumers are consumer goods and services because consumers purchase them for personal, family, or household purposes.

23. Respondents' practices, which violate the Maryland's Interference With Internet Ticket Sales Law, are also unfair or deceptive trade practices that are subject to the Consumer Protection Act's enforcement and penalty provisions.

24. Respondents' false or misleading statements to consumers, as set forth above, have had the capacity, tendency or effect of deceiving or misleading consumers and constitute unfair or deceptive trade practices as defined in § 13-301(1) of the Consumer Protection Act.

25. Respondents' misrepresentations of status and affiliations with venues and events set forth above that they did not, in fact have, constitute unfair or deceptive trade practice as defined in § 13-301(2)(ii) of the Consumer Protection Act.

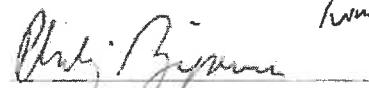
26. Respondent Volpone is personally liable for the unfair and deceptive trade practices committed by him and his agents, servants and/or employees, due to his own personal participation in the unfair or deceptive trade practices committed, and/or due to the fact that he knew or should have known about the unfair and deceptive trade practices and had the authority to stop them, but rather than stopping them, promoted their use.

WHEREFORE, the Proponent respectfully requests that the Consumer Protection Division issue an Order:

- A. Requiring Respondents to cease and desist from engaging in unfair or deceptive trade practices in violation of the Maryland Consumer Protection Act and Maryland's Interference With Internet Ticket Sales Law;
- B. Requiring Respondents to take affirmative action, including the restitution to Maryland consumers of all moneys that Respondents received in connection with Respondents' unfair or deceptive trade practices and payment of all other economic damages incurred by these consumers in connection with Respondents' unfair or deceptive trade practices;
- D. Requiring Respondents to pay the costs of this action, including all costs of investigation, pursuant to Md. Code Ann., Com. Law § 13-409;

- E. After a hearing in accordance with Md. Code Ann., Com. Law § 13-403(d), requiring Respondents to pay a civil penalty of \$10,000 for each violation of the CPA set forth above, pursuant to Md. Code Ann., Com. Law § 13-410(a);
- F. Holding that all Respondents are jointly and severally liable for the restitution, penalties, costs, and any other sanctions or required payments arising from or related to this action; and
- G. Granting such other and further relief as is appropriate and necessary.

Respectfully submitted,



Philip D. Ziperman  
Deputy Chief  
Consumer Protection Division  
Office of the Attorney General of Maryland  
200 St. Paul Place, 16th Floor  
Baltimore, MD 21202  
(410) 576-6417

Attorney for Proponent

Dated: September 23, 2019