



In Support of Senate Bill 539/House Bill 701

Comments Of:
National Independent Talent Organization

The National Independent Talent Organization, a 501c (6) trade organization representing touring artist managers and agents, as well as artists themselves, submits this testimony in support of Senate Bill 539 & House Bill 701.

For the past two years a core of NITO's mission has been to address an increasingly difficult task, getting tickets into the hands of fans at the price the artist intends. Whether it is higher and higher ticket fees, predatory resellers buying up tickets and reselling for profit, or deceptive websites and fake tickets, the process has been harder for the average fan to navigate and their trust has diminished in the process. Senate Bill 539 & House Bill 701 addresses these problems and will not only help build back trust with artist fan bases, but also save millions of dollars for Maryland concert goers.

By codifying transfer and eliminating profit incentives these two bills get to the core of the dark side of the resale market and disincentivize the worse actors from participating. We recognize that plans change and the need to sell a concert ticket in order to make your money back is a very real problem many fans face. However, most fans we speak to when they are faced with this situation, resell their tickets for face value at the price they paid. They want someone else to be able to go to their place and enjoy the show they planned on enjoying without feeling ripped off. NITO's study of the secondary ticket market (attached) shows that on average secondary tickets were twice as expensive as face value / primary market tickets. Our study also shows that on average, resellers were profiting over \$40,000 per show we studied. By limiting resale to the price paid, all that reseller profit goes back in the hands of Maryland citizens and will end up saving Maryland concert goers millions of dollars annually. This is not only important for their family budgeting, but this allows fans to attend more shows instead of sinking their finite disposable income on one or two overpriced secondary market tickets.

We also fully support the ban on spec ticketing and itemized all-in pricing. Fans should know if the tickets they are buying are real or not. While this seems like common sense, its terribly unfortunate the amount of fans showing up at a box office with a spec ticket that was never fulfilled or a fake ticket that never existed. We have seen many instances where a tour was announced, but no ticket was on sale, yet there were still thousands of tickets listed on the secondary sites. Fans do not always know what they are buying is a spec ticket, they often click on the first link they see, regardless if it is a primary or secondary market ticket. This is consumer protection 101 and we applaud the bill sponsors for understanding that.

NITO believes it is essential that the buyer also know the price the artist is charging, the face value, with the fees clearly separated from that price. We support all in pricing, the consumer must know what the total cost will be, but while an artist can decide on the face value price of a ticket, they often have no say over the fees added on top of the ticket. The money an artist is making at a concert is also only derived from the face value of the ticket and artists are very aware of the price sensitivity of their fans. It is essential they know what the artist is charging and if there is any hope to get fees reduced, the fees must be clearly visible and separated.

Please find the attached NITO Resale Study as a part of our written testimony. You will find even relevant information that supports the importance of these bills in protecting consumers and protecting artist's desires. The relationship between fan and artist is essential to protect. The explosion in the secondary market has tarnished the fan buying experience and there is little artists can do to protect their fans. These bills take a giant leap forward in protecting consumers and the National Independent Talent Organization offers its full support.