



TESTIMONY IN SUPPORT OF HB 77
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I'm Audrey Fix Schaefer, director of communications for I.M.P., the Bethesda-based company that operates Merriweather Post Pavilion in Columbia, MD, and I'm testifying with gratitude for Delegate Woods and in support of HB 77, because putting caps on concert ticket resale prices is pro-consumer protection, pro-independent venue, pro-keeping Marylanders' money in Maryland, and it addresses the affordability issue facing us all today.

This year marks the 22nd concert season that our company, Bethesda, Md.-headquartered I.M.A, has been operating Merriweather. When we took it over, it was on the brink of going under. In that time, we've made more than \$60 million in renovations; some technical – like state-of-the-art sound and video systems and literally raising the roof; some audaciously creative, like the SkyLawn™ that allows fans to watch the show while sitting on a soft patch of grass suspended in the sky, or the backstage pool which energizes road-weary artists and makes them choose us over other amphitheaters.

We've invested in substantial environmental improvements thanks to chart-topping musician Jack Johnson's help. In fact, 70% of our shows are run off the grid with solar panels. We now feature a massive sculpture garden honoring artists who have played with us, including Miles Davis, Tina Turner, Willie Nelson, and Dolly Parton. We have a rock and roll pinball arcade and incomparable food offerings. We do it all because we want to delight artists and fans alike.

Last year more than 400,000 fans came through our gates, attracting ticket buyers from all 50 states, Washington, D.C., and around the world. They, in turn, brought \$68 million in economic benefit to Maryland as they came for a show but also ate at area restaurants, stayed in hotels, went shopping, and saw other Maryland attractions. We're the magnet, but that's just the beginning. We also employ more than 800 people in Maryland who realize an estimated \$13.5 million in income.

I'll sum up this section by letting you know that industry trade magazine Pollstar has named Merriweather Post Pavilion the #1 *amphitheater in the world*, which is a phenomenal recognition that would have been unthinkable 20 years ago.

Also unthinkable 20 years ago: scalpers using illegal BOTS and other manipulation tactics to vacuum up tickets before real fans have a chance to buy them – only to then set astronomical prices that fans must pay if they want to see their favorite artist.

Scalpers trick consumers into thinking they're buying from Merriweather and other venues using websites that parrot us by abusing our brand and intellectual property, and by using unregulated search engine optimization on platforms like Google, to have their sites listed way above ours. They also continue to use illegal BOTS and algorithms to scoop up tickets before real fans have a fair chance, causing fans to overpay dramatically and unnecessarily. THE ONLY WAY TO PROTECT CONSUMERS FROM

PREDATORY RESELLERS IS THROUGH A PRICE CAP. The scalpers' profit motive must be removed, or the abuse will continue here in Maryland.

Here at Merriweather, we tracked more than **25,000 tickets** on resale that were listed for **more than double** the original face value price last year. That's equal to **more than \$26 million** in price-gouging at just one venue in the state of Maryland in 2025.

Here are a few egregious examples we encountered recently:

Willie Nelson set ticket prices for an **average of \$62**, yet **Event Tickets Center** was selling **tickets for up to \$3,091**. **Lainey Wilson** set ticket prices at an average of **\$73**, yet **StubHub** was selling tickets for **\$12,611**.

This summer, **Jack Johnson** is coming back to Merriweather. He also priced his tickets at an **average of \$73**, yet **VividSeats** has tickets listed *right now* for **\$3,125**.

Who does this gouging harm? The fans, of course, who then can't afford to see as many shows or won't be able to buy a concert T-shirt, because, like all Americans, the affordability crisis is hitting Marylanders right now. Who else is harmed? The artist on stage, whose fans often perceive these scalped tickets and gouged prices as being the artists' fault without recognizing that they were deceived by a third party. Who else is harmed? Other artists who won't be discovered because fans can't afford to go to more shows. Who else is harmed? Venues like ours, because fans can't afford to attend those additional shows or spend on food and merchandise when they're with us, and because we're the ones who have to try to help an emotional fan when they realize they've been duped. Who else is harmed? Restaurants and retail shops that surround us all suffer when fans go to fewer shows. Who else is harmed? All Marylanders, because the money grabbed by scalpers is not subject to Maryland taxes. All that money leaves the state.

The scalpers and resale platforms like StubHub, Vivid Seats, and TicketNetwork literally make billions of dollars off the backs of the artists and venues who actually make these events happen. Stubhub's 2024 IPO shows \$828 million in sales and marketing expenses. That's what they're spending their money on - advertising and lobbyists.

As a venue, we bear all the financial risk. We pay the artists, our employees, rent, insurance, and state and local taxes. We provide security, production, hospitality, food and beverage, and all the other components required to put on shows and festivals. The artists create the art, hire band members, lighting and sound engineers, tour managers, agents, business managers, and bus drivers, and pay for hotels, transportation, and food for themselves and their entire crew. Why should scalpers take advantage of customers and make more on a performance than the artists and venues that have invested in the show?

Secondary sites are awash with fraudulent tickets, and they may have a quote, unquote "guarantee," for tickets, but when fans come to our box offices with fake tickets, it's us at the venue who are faced with an understandably angry customer that thinks it's our fault. And that resellers' quote, unquote "guarantee" never repays the customer for their flights to town, hotels, meals, and lost wages. The duped customer is left holding the bag and missing the entertainment experience they longed for. When these platforms tell you how much money they're saving consumers, make note that we have no objection to anyone selling at or below face value. None. We want tickets to go into the hands of real fans that will come to our venue. But also make no mistake – they're only telling you about the tickets they sold *under* face value – not the millions of tickets they've sold *over* face value, representing billions of dollars to their bottom line.

This is why we fight for consumer protection. We want to ensure that fans will want to come back to our venue, or anyone else's, for decades to come. Scalpers who scam and the platforms that host them have no such interest in a long-term relationship. It's not about the art or the fun night out for them. It's only about the bottom line, treating these emotional opportunities like market commodities.

Major resale platforms claim they are simply connecting music lovers with each other. Yet the *majority* of sales on many secondary platforms are conducted by professional scalpers looking to turn a profit, according to the investigative news outlet Reveal. Nearly all marketplaces tack on exorbitant fees that, when combined with the price-gouged listings, can swell the total cost to many times the advertised price. This has been supercharged online, ballooning to a market worth roughly \$15 billion.

We fully support fans who can't make a show being able to sell their tickets at face value to recoup their money and allow someone else to enjoy a night out. But this rampant and abusive ticket scalping is simply a form of unregulated arbitrage that disadvantages fans, artists, and venues alike, and it must be stopped.

I expect you will hear from resale platforms like StubHub and Vivid Seats, along with the organizations they fund to carry their message to sink this bill. Make no mistake, any organization that fights the cap is on the side of the scalpers and the platforms that make billions off of them. Real consumers, real fans, and real Marylanders want a cap to pass, which is why in the last session, 17,000 of them wrote their state legislators in the last session requesting it.

I'll end by noting that Maine passed a resale cap last year, and it's been introduced this session in Washington, DC, Delaware, Hawaii, Oklahoma, Vermont, Washington, Wisconsin and West Virginia. I predict, when turned into law, HB 77 will be the gold standard for consumer protection – and more artists will choose to play in Maryland over neighboring states as a result. I respectfully urge you to vote yes for HB77's requirement for a cap on resale at face value plus 10 percent.

I thank you.