## IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA CIVIL DIVISION

NATIONAL.	<b>CONSUMERS</b>	LEAGUE

1701 K St., N.W., Suite 1200 Washington, D.C. 20006

Case No.

Plaintiff,

v.

WASHINGTON NATIONALS BASEBALL CLUB LLC,

1500 S. Capitol St., S.E. Washington, D.C. 20003

Defendant.

## CLASS ACTION COMPLAINT

Plaintiff, National Consumers League Inc. ("National Consumers League" or "NCL"), on behalf of a class of affected consumers, sues Defendant, Washington Nationals Baseball Club LLC ("Nationals"), for violations of the District of Columbia Consumer Protection Procedures Act ("CPPA") in connection with certain of the Nationals' ticket sales practices.

## INTRODUCTION

- 1. Consumers are entitled to truthful information from merchants in the District of Columbia. One of the most central pieces of information in consumer transactions is price. Yet for years, the Nationals have misled consumers about the prices of tickets they offer for sale.
- 2. The Nationals deceptively advertise prices for single-game tickets that they know are not the real prices at which they will ultimately sell those tickets. Instead of disclosing the true, total price of the relevant tickets, the Nationals misleadingly omit the existence and amount of per-ticket fees that they choose to impose. Concealing fees of this sort commonly known

as "junk fees" — until late in the transaction is a misleading practice known as "drip pricing," which frustrates and harms consumers.

- 3. Drip pricing is a practice in which firms advertise only part of a product's price, and reveal the remainder in the form of additional fees or charges later as the consumer goes through the buying process. Merchants often use drip pricing to extract higher prices from consumers.
- 4. Drip pricing works by forcing consumers to invest time and effort into selecting a product (such as a specific set of seats at a specific baseball game) on the basis of a misleadingly low advertised price. Then, once the true, higher price is revealed, the consumer may proceed with the purchase anyway, and pay a higher price than was advertised and than the consumer originally expected, because the consumer does not want to repeat the process of investing time and effort into selecting something different.
- 5. Drip pricing is an abusive and misleading anti-consumer practice. For years, the Nationals have relied on it consistently in connection with their single-game ticket sales.
- 6. For example, the Nationals previously declared on their website, and still declare today, that they were selling advance single-game tickets "starting at \$9" for certain games, such as their September 10, 2024 game against the Kansas City Royals. But that was false. In reality, the Nationals did not offer tickets "starting at \$9" on their website. Despite claiming through multiple steps of the purchasing process that tickets could be purchased for \$9, at the end of the sales process, the Nationals imposed a mandatory \$2.25 "ticket processing" fee, bringing the total cost of a so-called \$9 ticket to \$11.25 a 25% markup above the advertised price.
- 7. In reality, the National never intended to sell consumers tickets to that September 10 game "starting at \$9." That was (and is) false and deceptive advertising intended to draw in

consumers, commit them to the purchase, and lead them to pay more money per ticket than the Nationals advertised and than the consumers initially intended.

- 8. These ticketing practices are misleading and deceptive. They are also unnecessary: other professional baseball teams truthfully state their ticket prices, including fees, from the outset of their sales processes, showing that there is no practical need for the Nationals to engage in misleading drip pricing.
- 9. The Nationals' practices are also illegal under District of Columbia law. The D.C. Consumer Protection Procedures Act ("CPPA"), D.C. Code § 28-3901 *et seq.*, provides a robust set of protections for consumers. Among other things, it protects the basic right not to be misled about the price of goods and services being offered for sale. The National Consumers League, on behalf of a class of consumers, brings this action to seek redress for the Nationals' violations of the CPPA and to prohibit the Nationals from continuing this deceptive conduct in the future.

## **PARTIES**

- 10. Plaintiff, the National Consumers League, is a preeminent nonprofit, public-interest organization that is organized and operating for the purpose of protecting and promoting social and economic justice for consumers. Founded in 1899, the National Consumers League is the nation's oldest consumer advocacy organization. It is located at 1701 K Street, Northwest, Suite 1200, Washington, D.C. 20006.
- 11. A central part of Plaintiff's work is protecting consumers from unfair, deceptive, misleading, and otherwise abusive sales practices. The National Consumers League has advocated in favor of consumer protection and against misleading and abusive practices since its early days, such as through its advocacy in favor of the Meat Inspection Act of 1906 and the Pure Food and Drug Act of 1906. More recently, Plaintiff has advocated against abusive

ticketing practices in the live entertainment industry and elsewhere, supporting legislative and regulatory efforts to eliminate anti-consumer practices like drip pricing. Plaintiff also has an extensive history of litigating for consumers in D.C. courts to prosecute misleading, deceptive, or otherwise unlawful conduct by merchants.

- 12. Defendant, Washington Nationals Baseball Club LLC, is the owner and operator of the Washington Nationals professional baseball franchise, and is the operator of the Nationals Park in Southeast Washington D.C. The Nationals' principal place of business is registered at 1500 South Capitol Street, Southeast, Washington, D.C. 20003.
- 13. The Nationals are a "person" and a "merchant" that provides "goods and services" within the meaning of the CPPA. See D.C. Code § 28-3901(a)(1), (3), (7).

## JURISDICTION AND VENUE

- 14. This case arises under the CPPA, D.C. Code § 28-3901 et seq.
- 15. This Court has subject-matter jurisdiction over this civil action pursuant to D.C. Code §§ 11-921(a) and 28-3905(k)(2).
- 16. This Court has personal jurisdiction over the Nationals because, among other things, the Nationals' principal place of business is in the District of Columbia, and the Nationals are organized under the laws of the District of Columbia.
- 17. Venue is proper in the District of Columbia because, among other things, the conduct underlying Plaintiff's claims occurred in the District of Columbia, the Nationals' principal place of business is in the District of Columbia, and because the Nationals are organized under the laws of the District of Columbia.

### **FACTS**

18. The Nationals advertise and sell tickets for 81 home games each baseball season. Ticket sales are a major source of revenue for the Nationals. In the 2023 season, for example,

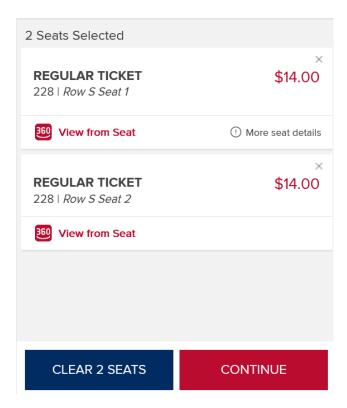
the Nationals earned an estimated \$111 million in "gate receipts" (i.e., ticket sale proceeds). *See* https://www.forbes.com/teams/washington-nationals.

- 19. Among other ways, the Nationals sell single-game tickets to consumers through their official website. This sales channel allows consumers to buy up to 19 tickets at a time for any given game.
- 20. The Nationals advertise the prices of their single-game tickets to consumers, including through print, broadcast, and internet media.
- 21. The Nationals' own website advertises and offers ticket prices to consumers in multiple places. The Nationals' single-game ticket page, for instance, states a (purported) lowest available price for each home game with available tickets. *See* https://www.mlb.com/nationals/tickets/single-game-tickets.
- 22. For example, for the final home game of the 2024 season against the Philadelphia Phillies on September 29, the Nationals' website advertises tickets "[s]tarting at \$14," as shown in the following image:



During the ticket sale process, the Nationals also advertise and offer the price of the ticket for any given seat that a consumer may select for a potential purchase. Indeed, the Nationals' website specifically allows consumers to filter available tickets by their (purported) price.

24. For example, for the September 29, 2024 game against the Phillies, the Nationals advertise the ticket price for certain seats in Section 228 as \$14 — the lowest (purported) price available for tickets at that game — as shown in the following image:



- 25. The Nationals' advertising practices are not limited to the lowest-priced tickets for each game. They also advertise and offer deceptive ticket prices for every available ticket in the stadium. For example, at that same September 29 game, the Nationals advertise and offer the ticket price for certain seats in Section 417 as \$26, in Section 108 as \$45, and in Section 129 as \$204. Every single-game ticket sold through the Nationals' website is advertised and offered at a deceptive and misleading low price that does not include the Nationals' mandatory, per-ticket processing fee.
- 26. In reality, the Nationals do not sell those single-game tickets at their advertised prices.

- 27. The Nationals' advertising does not disclose the existence or amount of mandatory per-ticket "fees" that the Nationals add to the price of each ticket.
- 28. Once a consumer selects one or more tickets to purchase and attempts to move forward with the transaction, the Nationals' website discloses for the first time that a "ticket processing" fee and "order processing" fee will also be charged.
- 29. This "ticket processing" fee is charged for each single-game ticket a consumer purchases through the Nationals' website. The amount of the fee varies according to the (purported) price of the ticket. The fee can be as low as \$2.25 for tickets with a (purported) price of \$9, and at least as high as \$9.25 for some of the most expensive tickets in the stadium, such as those with a (purported) price in excess of \$100.
- 30. For example, for the September 29 Phillies game, even though the Nationals advertise single-game ticket prices "[s]tarting at \$14," consumers cannot buy single-game tickets to that game for \$14. Rather, when they attempt to buy those tickets, they will be forced to pay an additional "ticket processing" fee of \$3.75 per ticket, for a true price of \$17.75 per ticket, as shown in the image below. That represents a more than 25% markup over the quoted price.

Section 228, Row S, Seats 1, 2 \$14.00/ea × 2	\$28.00
Order Processing Ticket Processing	\$4.00 \$7.50
Total Due	\$39.50

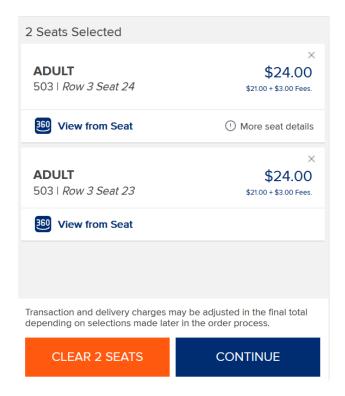
31. The Nationals do not publicly describe their formula for assigning "ticket processing" fees, and the amount of the fee relative to the (purported) ticket price varies. Indeed,

the Nationals' website appears to make no mention of this fee or the reason it is assessed anywhere outside of the final step of the sales process in which it is charged to consumers.

Accordingly, it is difficult for consumers to predict the amount they will be charged in per-ticket fees, even if they have become aware that the Nationals charge them.

- 32. The "ticket processing" fee is not tied to the Nationals' actual costs of "processing" tickets. It does not cost the Nationals more to "process" a \$46 ticket than a \$26 ticket, yet the Nationals will charge a higher ticket processing fee for the former. Indeed, the ticket processing fee associated with tickets for the very same seat can vary between games as the price of tickets for that same seat changes; it does not cost the Nationals more to "process" a ticket for the same seat when that seat is listed at \$17 compared to \$13 or \$9. As a result, the Nationals charge higher ticket processing fees to consumers who are willing to spend more money, while also charging ticket processing fees at a higher percentage of the (purported) ticket price to consumers who are willing to spend less.
- 33. Consumers also have no practical way of avoiding these junk fees when purchasing single-game tickets in advance: the Nationals charge mandatory per-ticket fees for in-person advance ticket purchases at the box office as well as for advance online purchases.
- 34. The Nationals could truthfully disclose the existence and amount of their fees from the outset of the transaction, if they chose to do so.
- 35. Indeed, other professional baseball teams, such as the New York Mets and the Los Angeles Dodgers, do just that. These teams state the true ticket price, inclusive of the fees they intend to charge, from the first moment a customer selects seats and their websites offer a price for those tickets.

36. For the Mets' September 22, 2024 game against the Phillies, for example, the Mets advertise seats at \$24, and the true price of those seats, inclusive of per-ticket fees, is in fact \$24, as shown in the image below:



- 37. But the Nationals choose not to make such truthful disclosures. Instead, they misleadingly omit the existence and amount of mandatory per-ticket fees from their advertising and price quotations, and disclose them only after consumers have indicated serious interest in proceeding with a transaction.
- 38. Thee Nationals have consistently engaged in this same deceptive and misleading practice while selling single-game tickets since prior to the 2021 baseball season.

## **CLASS ACTION ALLEGATIONS**

39. This action is properly maintainable as a class action pursuant to Superior Court Civil Rule 23(b)(1) and (2). Prosecuting separate actions by individual class members would create a risk of inconsistent or varying adjudications that could establish inconsistent standards

of conduct for Defendant. In addition, the Nationals have acted in a manner that applies generally to the class, so that final injunctive or declaratory relief is appropriate respecting the class as a whole.

- 40. This action is also properly maintainable as a class action pursuant to Superior Court Rule 23(b)(3), because common questions of law and fact predominate over any questions affecting only individual class members, and a class action is superior to other available methods for fairly and efficiently adjudicating the controversy.
  - 41. Plaintiff seeks to bring this action on behalf of the following proposed class:

    All consumers who purchased tickets from the Nationals between July 16, 2021 and the present, and paid per-ticket fees in connection with the purchase of those tickets.

Plaintiff also seeks to bring this action on behalf of the following proposed subclass:

All consumers who reside in the District of Columbia and who purchased tickets from the Nationals between July 16, 2021 and the present, and paid per-ticket fees in connection with the purchase of those tickets.

Excluded from the class and subclass are all directors, officers, executives, and attorneys of Defendant, immediate family members of any of the foregoing, and any heirs, assignees, or legal representatives of any such excluded person.

42. The exact size of this class is unknown, but it likely includes thousands or tens of thousands of consumers. With 81 games per season and tens of thousands of tickets sold per game, the Nationals have sold millions of tickets during the relevant class period. The deceptive conduct above applies, at the very least, to all of the Nationals' advance single-game ticket sales. If even just a few percent of the Nationals' tickets were sold in that way, that would mean the Nationals sold tens of thousands, if not hundreds of thousands, of tickets in violation of the

- CPPA. Accordingly, the class is sufficiently numerous to justify proceeding as a class action, and joinder of all class members individually is impracticable.
- 43. Plaintiff is an adequate class representative and will fairly and adequately protect the interests of the class. The CPPA expressly provides that a "public interest organization" may represent a class of consumers. *See* D.C. Code § 28-3905(k)(1)(D). As the nation's oldest and leading consumer advocacy organization, the National Consumers League is organized and operating on behalf of consumers.
- 44. Plaintiff also has a sufficient nexus to the interests of the consumer class to adequately represent those consumers as provided in the CPPA. The National Consumers League has an extensive record of promoting the interests of consumers through litigation and advocacy. It has litigated extensively in D.C. courts in support of consumers' interests, and it has repeatedly and publicly advocated against drip pricing and against abusive anti-consumer conduct in the live event ticketing industry. Moreover, Plaintiff will not be subject to atypical defenses in prosecuting this action.
- 45. The class in this action faces common questions of law and fact. In particular, common questions include: (1) what the Nationals disclosed or omitted regarding their per-ticket fees for single-game tickets and whether such disclosures or omissions tended to mislead; (2) whether the Nationals advertised or offered tickets without the intent to sell them as advertised or offered; (3) whether the Nationals' practices regarding their per-ticket fees violated the CPPA; (4) whether declaratory and injunctive relief are warranted in light of the Nationals' conduct; (5) whether and in what amount damages are warranted; (6) whether and in what amount punitive damages are warranted; and (7) the amount of attorney's fees and costs to be

awarded. These common questions predominate over questions affecting only individual class members.

- 46. A class action is superior to other available methods for fairly and efficiently adjudicating this controversy. Because class members face common questions of fact and law, and because the National Consumers League is a capable and well-respected consumer advocacy organization, class members' interests in controlling the prosecution of separate actions is minimal. Given the relatively small amounts of each individual class member's claims, moreover, it would be uneconomical for all individual class members to retain counsel and pursue litigation on an individual basis. Prosecution of separate claims by individual class members would also impose heavy burdens on the courts and would create a risk of inconsistent or varying decisions on the common questions of law and fact set out above.
- 47. To Plaintiff's knowledge, as of the date of this complaint, no separate litigation has yet been commenced concerning this controversy by other class members. It is desirable to concentrate litigation of these claims in this forum, as the case involves conduct by a high-profile District of Columbia merchant, that occurred in the District of Columbia, in violation of District of Columbia law. There are no significant difficulties anticipated in managing this litigation as a class action, as the Nationals' practices were applied consistently across class members, the members of the class are reasonably ascertainable through discovery of the Nationals, and undersigned counsel is adequate to represent the class.

# COUNT I (Violation of D.C. Code § 28-3904, on behalf of the proposed class)

48. Plaintiff, on behalf of the proposed class, brings this count against the Nationals under the CPPA, D.C. Code § 28-3904.

- 49. The National Consumers League is a "public interest organization" under D.C. Code § 28-3901(15).
- 50. The Nationals are a "merchant" under D.C. Code § 28-3901(3) and provide "consumer goods or services" under D.C. Code §§ 28-3901(2) and (7).
- 51. The members of the proposed class are "consumer[s]" under D.C. Code § 28-3901(2) because they did or would purchase or receive tickets from the Nationals and did or would provide the economic demand for the Nationals' ticket sales.
- 52. The CPPA prohibits, among other things, "misrepresent[ing] as to a material fact which has a tendency to mislead," "fail[ing] to state a material fact if such failure tends to mislead," and "advertis[ing] or offer[ing] goods or services . . . without the intent to sell them as advertised or offered." D.C. Code § 28-3904(e), (f), (h).
- 53. The Nationals violated the CPPA, D.C. Code § 28-3904, by employing the unlawful trade practices described above.
- 54. The price of a ticket is a material fact in a consumer's purchase of that ticket. The Nationals' misleading omission of mandatory per-ticket fees renders their representations about the price of their tickets misleading, and means they failed to state the material fact of the true, fee-inclusive price of their tickets. Moreover, the Nationals' advertised ticket prices were illusory; the Nationals did not intend to sell tickets at the prices quoted, but rather at higher prices inclusive of junk fees. Accordingly, the Nationals' trade practices were unlawful under the CPPA.
- 55. The CPPA authorizes a "public interest organization" to bring suit on behalf of a class to seek redress for unlawful trade practices if the class members could bring such an action

individually. The class members here could bring individual actions against the Nationals under the CPPA because each was injured by the Nationals' unlawful trade practices.

### **DEMAND FOR JURY TRIAL**

Plaintiff hereby demands a jury trial.

## PRAYER FOR RELIEF

WHEREFORE, the National Consumers League, on behalf of the proposed class, prays for judgment against Defendant and respectfully requests that the Court grant the following relief:

- A. Declaring that the Nationals' conduct violates the D.C. Consumer Protection Procedures Act;
- B. Entering a permanent injunction against the Nationals' use of the above-described trade practices in violation of the D.C. Consumer Protection Procedures Act;
- C. Awarding the proposed class statutory damages of \$1,500 per violation of the D.C. Consumer Protection Procedures Act, or treble damages, whichever is greater;
- D. Awarding such additional relief as may be necessary to restore to the class of consumers money or property acquired by means of the above-described trade practices;
- E. Awarding the costs of prosecuting this action, including reasonable attorney's fees, experts' fees, and litigation costs together with interest;
- F. Awarding pre- and post-judgment interest as allowed by law;
- G. Awarding punitive damages; and
- H. Granting such other relief as the Court deems proper.

Dated: July 16, 2024 Respectfully submitted,

## By: /s/ Bradley E. Oppenheimer

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