

**IN THE COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO**

STATE OF OHIO ex rel.)	
ATTORNEY GENERAL)	
DAVE YOST)	Case No:
30 E. Broad St., 14 th Floor)	
Columbus, Ohio 43215)	
)	Judge:
Plaintiff,)	
v.)	
)	
STUBHUB, INC.)	COMPLAINT FOR DECLARATORY
199 Fremont Street,)	JUDGMENT, INJUNCTIVE RELIEF,
San Francisco, CA 94105)	CONSUMER RESTITUTION, AND
)	CIVIL PENALTIES
Defendant.)	

Plaintiff, State of Ohio ex rel. Attorney General Dave Yost, commences this action pursuant to the Consumer Sales Practices Act, R.C. 1345.01 et seq. (“CSPA”) against Defendant StubHub, Inc. (“StubHub”). StubHub offers and sells on the secondary market tickets to sports, concerts, theater and other live events through its online marketplace at www.stubhub.com and on its mobile apps. StubHub’s secondary ticket sales were backed by its “FanProtect” guarantee, which promised that if an event was cancelled and not rescheduled, StubHub would provide consumers with a full refund of the amount they paid for their tickets, including any fees and shipping/handling charges. In early March 2020, COVID-19 was declared a global pandemic and there was widespread cancellation of live in-person events, including events in Ohio and events outside Ohio for which Ohio consumers had purchased tickets, through StubHub’s marketplace. On March 25, 2020, without notice to consumers, StubHub unilaterally changed its refund policy, no longer offering consumers refunds for cancelled events, instead, offering consumers a credit that could be applied toward future purchases on StubHub’s marketplace. StubHub’s actions with

respect to its “FanProtect” guarantee were unfair and deceptive. The Ohio Attorney General has commenced this action to enjoin StubHub from engaging in unfair or deceptive trade practices in connection with its offer and sale of secondary tickets, to obtain relief for Ohio consumers harmed by StubHub’s unfair or deceptive trade practices, and to seek civil penalties for StubHub’s unlawful conduct.

JURISDICTION AND VENUE

1. Dave Yost, Ohio Attorney General, having reasonable cause to believe that violations of Ohio’s consumer protection laws have occurred, brings this action in the public interest and on behalf of the State of Ohio under the authority vested in him by R.C. 1345.07.
2. The actions of Defendant, hereinafter described, have occurred in Franklin County, Ohio and, as set forth below, are in violation of the CSPA, R.C. 1345.01 et seq., and its Substantive Rules, O.A.C. 109:4-3-01 et seq.
3. This Court has jurisdiction over the subject matter of this action pursuant to R.C. 1345.04.
4. Venue is proper pursuant to Ohio Civ. R. 3(C)(3) in that Franklin County is where the Defendant conducted some activity that gave rise to the claim for relief.

DEFENDANT

5. The Defendant is StubHub, Inc., a Delaware corporation with its principal office or place of business at 199 Fremont Street, San Francisco, CA 94105. StubHub regularly advertises, markets and sells its services to consumers in Ohio, including in Franklin County.
6. Defendant, as described below, is a “supplier” as that term is defined in R.C. 1345.01(C), as the Defendant was, at all times relevant herein, engaged in the business of effecting consumer transactions by soliciting and selling secondary market tickets to individuals in

Ohio, including Franklin County, for purposes that were primarily personal, family or household within the meaning specified in R.C. 1345.01(A) and (D).

STATEMENT OF FACTS

7. StubHub operates a secondary marketplace, online and through its mobile apps, in which individuals or organizations that have purchased tickets to upcoming live events (“Sellers”) can resell those tickets to individuals who wish to purchase them (“Buyers”). Tickets sold in the StubHub marketplace, referred to as secondary tickets, include tickets to live sporting events, musical concerts, theatrical performances, comedy shows, conventions, and exhibitions.
8. The purchase price of tickets offered for sale in StubHub’s marketplace is determined by the Seller. When a Buyer purchases tickets to an event through StubHub’s marketplace, StubHub manages the entire transaction, taking payment from the Buyer, ensuring that the Seller’s tickets are delivered to the Buyer, and remitting funds to the Seller.
9. Because StubHub’s marketplace is a secondary market, a Buyer who purchases tickets through StubHub to an event that is subsequently canceled will not normally receive a refund directly from the event organizer. If an event is canceled and the event organizer issues refunds, the ticket Seller, not the Buyer, will receive the refund.
10. In order to assure Buyers that they will receive refunds for their purchase of secondary tickets on StubHub’s marketplace if an event is cancelled, StubHub has offered refund guarantees to Buyers. For example, until March 5, 2020, StubHub represented to Buyers through its “FanProtect” guarantee that if an event for which the Buyer purchased tickets was cancelled and not rescheduled, it would provide the Buyer with a full refund (including

any fees and shipping and handling charges). StubHub made similar representations in its advertising and other public statements.

11. In March 2020, the outbreak of coronavirus disease 2019 (“COVID-19”) was declared a global pandemic by the World Health Organization. Stay-at-home orders, bans on large gatherings, and similar public health measures resulted in the widespread cancellation of live, in-person events, including events for which Buyers had purchased tickets on StubHub.
12. On or about March 6, 2020, StubHub began sending emails to Buyers whose events had been canceled as a result of COVID-19. In those emails, StubHub reassured consumers that Buyers “are always protected by our FanProtect” guarantee, and that the Buyer would receive a “full refund for the amount paid” unless the Buyer affirmatively requested, in lieu of a refund, a coupon worth 120 percent of the Buyer’s original order. StubHub sent a similar email on or about March 20, 2020, again offering the consumers the option of a full refund or a coupon worth 120 percent of their original order.
13. However, on or about March 25, 2020, contrary to its prior representations, StubHub revised its “FanProtect” guarantee and subsequently informed Buyers that because of COVID-19’s impact on live events and the large number of event cancellations, StubHub had updated its Buyer policies and would no longer issue refunds to Buyers for canceled events. This representation was made to hundreds of thousands of Buyers nationwide, including 12,137 consumers residing in Ohio or that purchased tickets to an Ohio event, who had previously purchased tickets on StubHub’s marketplace under terms that included the “FanProtect” guarantee.

14. StubHub's representations to consumers that it would provide them full refunds to cancelled events when, in fact, it would not honor its "FanProtect" guarantee were misrepresentations that were capable of misleading consumers.
15. StubHub did not inform consumers who purchased tickets under terms that included its "FanProtect" guarantee that it would not honor its guarantee to pay refunds under some circumstances, including during a pandemic, a fact that was material to consumers.
16. StubHub's refusal to pay refunds to consumers who bought tickets under terms that included its "FanProtect" guarantee when the events for which they purchase their tickets were cancelled substantially harmed consumers.

PLAINTIFF'S CAUSE OF ACTION:
VIOLATIONS OF THE CONSUMER SALES PRACTICES ACT

COUNT I
UNFAIR OR DECEPTIVE ACTS AND PRACTICES

17. Plaintiff incorporates paragraphs 1 through 16 of this Complaint as if they were fully rewritten herein.
18. Defendant committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A), by making false and misleading statements to consumers that it would refund their payments for cancelled events, as set forth above, when such was not the case.
19. Defendant committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A), by failing to inform consumers that they would not provide promised refunds for cancelled events.

20. Defendant committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A), by unilaterally changing the terms of its “FanProtect” guarantee, to the detriment of consumers.
21. The acts and practices described above have been previously determined by Ohio courts to violate the CSPA. Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(B)(2).

COUNT II
FAILURE TO ISSUE REFUNDS

22. Plaintiff incorporates paragraphs 1 through 16 of this Complaint as if they were fully rewritten herein.
23. Defendant committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A) and O.A.C. 109:4-3-09, by accepting money for the purchase of tickets under its “FanProtect” guarantee and subsequently failing to provide refunds for cancelled events.
24. The acts and practices described above have been previously determined by Ohio courts to violate the CSPA. Defendant committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(B)(2).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully prays that this Court:

1. ISSUE a declaratory judgment declaring that each act or practice complained of herein violates the CSPA in the manner set forth in the Complaint.
2. ISSUE a permanent injunction enjoining StubHub, Inc. doing business under its name or any other name, and its agents, representatives, salespeople, employees, independent contractors, successors, or assigns, and all persons acting in concert or participating with

it, directly or indirectly, from further violating the CSPA, R.C. 1345.01 et seq., and its Substantive Rules.

3. GRANT a monetary judgment against Defendant in an amount sufficient to reimburse all consumers found to have been damaged by the Defendant's unfair or deceptive acts and practices.
4. ASSESS, FINE, and IMPOSE upon the Defendant a civil penalty in the amount of Twenty-Five Thousand Dollars (\$25,000.00) for each separate and appropriate violation described herein pursuant to R.C. 1345.07(D).
5. GRANT Plaintiff its costs in bringing this action, including, but not limited to, the costs of collecting on any judgment awarded.
6. ORDER Defendant to pay all court costs.
7. GRANT such other relief as the Court deems to be just, equitable and appropriate.

Respectfully submitted,

DAVE YOST
Ohio Attorney General



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