



Statement of Jeffrey Seller
Senate Subcommittee on Consumer Protection, Product Safety,
Insurance and Data Security
Hearing: “Examining the Better On-Line Ticket Sales Act of 2016”
September 13, 2016

Good afternoon,

My name is Jeffrey Seller and I am the proud producer of *Hamilton*, an American Musical. By way of introduction, my career has been defined by my passion for American musicals. In addition to *Hamilton*, I produced *Rent*, *Avenue Q*, *In the Heights* and the 2009 Broadway revival of *West Side Story*, which incidentally, opened here in Washington at the National Theatre in December, 2008. I am the fortunate winner of four Tony Awards for Best Musical.

Chairman Moran, Ranking Member Blumenthal and members of the subcommittee, I would like to thank you for holding this hearing and for providing me the opportunity to testify about my passion for Broadway and live performance.

I started attending Broadway shows in my hometown of Detroit, in 1978, when I was 13 years old. My family was lower-middle class. My father was a process server and my mother was a clerk at a local drugstore. Though we had little money available for entertainment, my passion for musicals motivated my parents to scrape together whatever funds they could so I could see shows at The Fisher Theatre. Tickets for mezzanine seats were \$10 and we couldn't afford tickets for the whole family. My father and I saw musicals like *Shenandoah* with John Raitt, *A Chorus*

Line, and *Pippin*. When Annie finally came to Detroit in 1979 we all wanted to go, so my father stood in line at the Fisher Theatre for over four hours to buy tickets — it was a huge splurge and a holiday gift for the entire family.

I would not be sitting here today were it not for the determination of my parents to give me the unforgettable, inspirational and educational experiences I was able to have, seeing the great American musicals of my childhood on national tour.

My reason for being here today - I would even go so far as to call it my mission -- is to insure that young people, and people of all ages, for that matter, have the same opportunity to see live performances of whatever interests them — musicals, plays and concerts.

I have received countless letters from children and parents appealing to me to help them access tickets to Hamilton. They have simply been unable to obtain tickets at our regular prices. Why? Because every time we put a new block of tickets on sale, the "robots" or "bots" have invaded the Ticketmaster system the second they went on sale, and then electronically purchased almost all of the available inventory. Then they re-post the tickets on multiple secondary ticketing sites or fan exchanges at prices that are up to ten times their face value. Hamilton tickets have regularly been sold in excess of \$1,000. In essence, these BOTS cut the line and buy up all the available product before anyone else has a chance.

Why should I care? I succeeded in my goal to sell out all my available tickets. The forces of free trade and capitalism that were in some ways created by Alexander Hamilton himself, took care of the rest, right?

Wrong.

BOTS are computerized cheaters. The people who employ BOTS use sophisticated software that cuts the line, paralyzes the system, and holds and purchases every available seat before a human consumer has a chance. They remove the notion of a level playing field from the electronic system, which was designed to help consumers purchase tickets with ease.

Throughout the Hamilton run, I've been working with Ticketmaster to mitigate the effectiveness of BOTS by cancelling tickets of those we suspect are using BOTS, and getting them into the hands of real fans. Ticketmaster is spending millions of dollars in software and labor to stop BOTS, but we are here together to ask for your help in passing the BOTS Act to punish abusers of a system designed for consumers and fans, not just for those looking to "game the system" and make a quick buck.

The secondary market was introduced into show business in the United States around 1850. The politically offensive slang word "scalping" came about from the notion that those re-selling tickets were taking the skin off the backs of the general public.

I am not here to make any specific recommendations regarding the function or existence of the secondary market. In many instances it's a useful tool for both buyer and seller. I confess that when I was a student at The University of Michigan I sometimes re-sold my student football tickets and used the profits to buy a pizza at The Cottage Inn.

I am here, however, to argue for fairness. I am here to fight for the ability of consumers to have a fair shot at purchasing tickets at the price set by the producer of the event. I am advocating a level playing field.

The business of Broadway is a unique one that offers a living wage to thousands upon thousands of talented and skilled artists, craftsmen and technicians. I acknowledge that, for many structural reasons beginning with the labor intensive nature of theater, tickets are expensive, and sometimes prohibitively so. We at Hamilton have put in place two powerful tools to make affordable tickets available: First, through our groundbreaking educational initiative supported by The Rockefeller Foundation, we will make 20,000 \$10 tickets available each year to high school juniors who would not otherwise be able to afford the show. In addition, we make over 40 tickets a performance available to the public by digital lottery, with seats in the front of the orchestra for 10 dollars each.

We aim to serve as many constituencies as possible. But, in order for this to work, we need fairness in ticketing. We need a level playing field. And we need to prevent BOTS from

tampering with a system that is designed to allow all consumers access to tickets at face value. This is why I wholeheartedly support the BOTS act.

I would like to thank Senators Moran, Schumer, Blumenthal and Fischer for taking a leadership role on this issue.

Thanks so much for your time today.