IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
Civil Division

DISTRICT OF COLUMBIA, a municipal corporation, 400 6th Street, N.W. Washington, D.C. 20001, *Plaintiff,* v. **PRO-FOOTBALL INC. d/b/a** **WASHINGTON COMMANDERS,** Serve On: CSC-Lawyers Incorporating Service Company 7 St. Paul Street, Suite 820 Baltimore, M.D. 21202, *Defendant.*	Case No. **COMPLAINT** **JURY DEMAND**

COMPLAINT FOR VIOLATIONS OF THE CONSUMER PROTECTION PROCEDURES ACT

Plaintiff, the District of Columbia (the District), brings this action against Pro-Football, Inc. d/b/a the Washington Commanders (the Team), which is the corporate entity that owns the Washington Commanders Football Team, for violations of the District of Columbia Consumer Protection Procedures Act (CPPA), D.C. Code §§ 28-3901, *et seq.* In short, the Team prioritized its own revenues over fairness and deceived District consumers by wrongly withholding their security deposits that should have been automatically repaid under consumers' contracts, and improperly using those deposits for the Team's own purposes.

Since 1996, the Team has entered into contracts with District consumers for premium seating, some of which required the payment of a substantial security deposit to preserve the consumers' access to the seats. Although the Team promised those consumers through its

contracts that it would automatically return the deposits within 30 days of the contract's expiration, the Team instead deceptively held onto these funds—sometimes for over a decade—and used the money for its own purposes. The Team capitalized on the fact that at the end of a long-term contract, many consumers simply forgot that they had ever paid a security deposit. And when consumers did request the return of their security deposits, the Team complicated the process by imposing extra, burdensome conditions that were contrary to the terms of the contracts (and not otherwise adequately disclosed). As a result of these deceptive practices, the Team is unlawfully withholding hundreds of thousands of dollars which rightfully belong to District residents.

The Team's misrepresentations regarding the return process for security deposits and omissions of material fact regarding the extra-contractual requirements imposed on consumers to reclaim their security deposits violate the CPPA. Accordingly, the District, by and through the Office of the Attorney General, brings this enforcement action to hold the Team accountable by seeking injunctive relief, restitution, damages, and penalties. In support of its claims, the District states as follows:

JURISDICTION

1. This Court has subject matter jurisdiction over the claims and allegations in the Complaint. *See* D.C. Code §§ 11-921(a) and 28-3909.

2. This Court has personal jurisdiction over Defendant pursuant to D.C. Code § 13-423.

PARTIES

3. Plaintiff, the District of Columbia, a municipal corporation, is the local government for the territory constituting the permanent seat of the government of the United

States. The District is represented by and through its chief legal officer, the Attorney General for the District of Columbia. The Attorney General conducts the District's legal business and is responsible for upholding the public interest. D.C. Code § 1-301.81(a)(1). The Attorney General is expressly authorized to enforce the District's consumer protection laws, including the Consumer Protection Procedures Act. *See* D.C. Code § 28-3909.

4. Pro-Football, Inc. is the corporate entity that owns the Washington Football Team. As of 2020, the Team is known as and does business as the Washington Commanders. Pro-Football, Inc. is incorporated in Maryland and has its principal office in Baltimore. The Washington Football Team is one of thirty-two separately owned and independently operated professional football teams that make up the National Football League. In the regular course of business, the Team sells tickets, merchandise, and other consumer products to District residents.

FACTUAL ALLEGATIONS

5. In or around 1996, the Team began offering contracts for premium seating at its new stadium in Landover, Maryland, through which consumers could pay to secure seats for multiple seasons, with some contracts lasting as long as 10 years. As part of the premium seating contract, which included club level seating, shared suite seating, and private skybox suites, consumers paid a security deposit that was generally 25% of the contract amount for the first year. These deposits ranged from a few hundred dollars to several thousand dollars and averaged approximately $1,200.

6. Per the terms of the contract, the Team agreed that "the Security Deposit shall be returned to [the consumer] within thirty (30) days after the expiration of the term of this Agreement, or any renewal term," unless the consumer failed to make timely payments or if the consumer damaged their seats, in which case the Team was permitted to apply the security

deposit amount to cover these payments. At the time the contracts were entered into, the Team did not convey to consumers that any additional conditions were required for the return of the deposit.

7. Contrary to the representations made in the contracts, the Team in fact retained many of these security deposits for years after consumers' contracts expired, even when consumers had no other active contracts with the Team.

8. Compounding matters, the Team created additional, extra-contractual requirements to those consumers who proactively sought out the return of their deposits, without obtaining consumers' agreement to those requirements—and, in many cases, without notifying consumers about them at all. For example, in or around 2009, the Team instituted a requirement that consumers would need to submit a signed written request to obtain their security deposits, a requirement contained nowhere in the contracts consumers signed. In fact, as noted above, the contracts indicated that security deposits would be automatically returned within 30 days of the expiration of the contract, without any further steps required of consumers.

9. An employee of the Team even alerted some of the Team's corporate officers in February 2009 to the fact that this new requirement violated the contract's terms, but the Team nonetheless continued imposing these additional obligations on consumers.

10. In addition to not notifying consumers about this requirement at the time the contracts were executed, the Team apparently took no efforts to systematically notify consumers of this new requirement when it was instituted in 2009.

11. The Team therefore took advantage of the fact that many consumers, upon the expiration of a multi-year contract, may have simply forgotten that they had paid a security deposit, such that they would not even know to contact the Team. In fact, the Team internally

acknowledged this reality, but nonetheless continued its deceptive practices. And even where a consumer did call or email the Team to request the return of their security deposits, they were often informed that they would need to submit a *further* signed request via mail before the Team could return the security deposit. Only a fraction of consumers followed through with these additional, previously undisclosed requirements to obtain their security deposits.

12. The Team retained the security deposits of those consumers who did not affirmatively request the return of their security deposits in writing, even when they were not in breach of any terms of their seat contract. When several years had passed without an in-writing request, the Team treated these accounts as "inactive" and in some cases considered the security deposits subject to forfeiture. If forfeited, the Team then converted those security deposits into revenue and used them for its own purposes.

13. In 2014, 18 years after it began collecting security deposits, the Team issued form letters to certain consumers, including some District consumers, to inform many of them for the first time that their security deposits were still being held. The Team did so only after being informed that their retention of the security deposits could be in violation of Virginia law regarding withheld property. The letters provided instructions on how to request the return of their security deposits, including the extra-contractual in-writing request requirement noted above. Many of these accounts had long been inactive, however, and it was not clear whether the addresses to which the form letters were sent were accurate so that the consumers would be properly notified.

14. As a result, only a few dozen District consumers received their deposit after the Team sent the 2014 form letters. And even for these consumers who belatedly received these

refunds, their deposits functionally served as zero percent interest loans that they had never agreed to lend to the Team.

15. Several additional District consumers attempted to secure a refund of their deposit, but they were denied by the Team for failing to follow the extra-contractual requirements described above. The Team denied some of these requests because the consumer did not sign the refund request when they mailed the form back to the Team. In other cases, the Team denied a refund because a "secondary" consumer (like a spouse) signed the refund request rather than the "primary" consumer.

16. Over the course of the Team's decades-long unlawful scheme, the Team improperly withheld hundreds of thousands of dollars in security deposits from hundreds of District consumers. Indeed, as of March 2022, the Team *still* held nearly $200,000 in unreturned security deposits paid by District consumers. The Team has also forfeited thousands of dollars from District consumers' security deposits and converted that money into revenue for the Team, to use for its own purposes.

COUNT ONE: MISREPRESENTATIONS AND OMISSIONS IN VIOLATION OF THE CPPA
(D.C. Code §§28-3901, *et seq.)*

17. The District re-alleges and incorporates by reference paragraphs 1 through 16, as if fully set forth herein.

18. The CPPA is a remedial statute that is to be broadly construed. It establishes an enforceable right to truthful information from merchants about consumer goods and services that are or would be purchased, leased, or received in the District of Columbia.

19. The goods and services that Defendant provides consumers are for personal or family purposes and, therefore, are consumer goods and services.

20. Defendant, in its ordinary course of business, supplies consumer goods and services and, therefore, is a merchant under the CPPA.

21. District residents receive consumer goods from Defendant and, therefore, are consumers under the CPPA.

22. The CPPA prohibits unfair and deceptive trade practices in connection with the offer, sale, and supply of consumer goods and services.

23. Defendant has engaged, and continues to engage in, business acts or practices that have a tendency to mislead consumers. As alleged fully herein, these acts or practices include the following:

a. Misrepresenting that security deposits would be returned to consumers within thirty days after expiration of the contract or a renewed contract term, unless the consumer was otherwise in breach of the contract for premium seating, which concerns material facts that have a tendency to mislead consumers and is an unlawful trade practice that violates the CPPA, D.C. Code § 28-3904(e);

b. Failing to disclose to consumers that it would retain security deposits indefinitely unless consumers followed an undisclosed, extra-contractual policy requiring consumers to submit a signed written request for their deposit to be returned, the omission of which tended to mislead consumers and is an unlawful trade practice that violates the CPPA, D.C. Code § 28-3904(f).

PRAYER FOR RELIEF

WHEREFORE, the District requests that this Court enter judgment in its favor and grant relief against Defendant as follows:

(a) Injunctive relief;

(b) Equitable and declaratory relief;

(c) Disgorgement, restitution, and damages;

(d) Civil penalties;

(e) The District's reasonable attorneys' fees and costs; and

(f) Such other and further relief as this Court deems appropriate based on the facts and applicable law.

JURY DEMAND

The District of Columbia demands a jury trial by the maximum number of jurors permitted by law.

Dated: November 17, 2022

Respectfully submitted,

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