

Live Nation's State Legislative Strategy to Protect Its Monopoly

How Ticketmaster's Owner Lobbies to Restrict Competition

Aden Hizkias



Live Nation's State Legislative Strategy to Protect Its Monopoly

How Ticketmaster's Owner Lobbies to Restrict Competition

Aden Hizkias

About Chamber of Progress

Chamber of Progress is a center-left tech industry policy coalition promoting technology's progressive future. We work to ensure that everyone benefits from technological leaps, and that the tech industry operates responsibly and fairly.

Our corporate partners do not have a vote on or veto over our positions. We do not speak for individual partner companies and remain true to our stated principles even when our partners disagree.

Contact Us

1390 Chain Bridge Rd. #A108 McLean, VA 22101

info@chamberofprogress.org

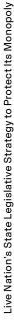
X / Medium





Table of Contents

01.	DOJ Sued Live Nation for Being a Monopoly	6
02.	How Live Nation's State Lobbying Strategy is Designed to Maintain Its Monopoly	10
03.	What State Policymakers Can Do About It	16
04.	Conclusion	20





Executive Summary

- In the midst of being charged by the US Department of Justice for monopolistic behavior, Live Nation has executed a quiet but sweeping campaign in state legislatures to maintain its monopoly position by restricting the resale market.
- The key features of Live Nation's state campaign include lobbying for legislation that targets the secondary ticket market under the guise of consumer protection, such as anti-bots laws, anti-fraud measures, and restrictions on speculative ticketing, all of which limit resale competition, reduce consumer choice, and reinforce Live Nation's monopoly control over the ticketing industry.
- Legislators should adopt resale ticketing laws to foster competition, reduce ticket prices, and increase transparency.

ntroduction



Introduction

In our era of sharp polarization, Americans have found common ground when it comes to live event ticketing. People are fed up with sky-high prices, Draconian terms and conditions, and outage-prone tech infrastructure.

Live Nation and its subsidiary Ticketmaster have worked tirelessly to hamstring would-be competitors, which has enabled the conglomerate to dominate much of the live entertainment ecosystem. Live Nation's influence extends beyond mere ticket sales to include exclusive partnerships with thousands of venues.¹ This end-to-end control over ticket distribution channels positions Live Nation as a central figure in the debate over competition and consumer protection.

Fortunately, the U.S. Justice Department (DOJ) has taken notice of Live Nation's flagrantly anticompetitive behavior.² But even if the DOJ wins its antitrust suit, the shadow of Live Nation's monopoly will endure when it comes to the secondary ticket market.

The secondary marketplace is Live Nation's only true source of competition - but even that competition is under threat.

Live Nation has executed a quiet but sweeping campaign in state legislatures to maintain its monopoly position by restricting the resale market. By collaborating with venues to implement anti-resale measures, Live Nation controls how tickets are bought, sold, and transferred. It supports legislation that purportedly addresses issues like fraudulent tickets and bots. In truth, the company hides behind nominally independent third parties and advocacy organizations like the National Independent Venue Association (NIVA), to strengthen and entrench Live Nation's monopoly, driving up costs for fans.

State legislators should recognize Live Nation's lobbying tactics for what they are: a sophisticated campaign to entrench the company's monopoly position. To truly restore transparency and competition in the ticketing ecosystem, it's up to state legislators to pass ticketing laws that truly protect the resale market.

¹ Featured Venues, Live Nation, https://www.livenation.com/venues

² U.S. Department of Justice. (2024). Complaint against Live Nation Entertainment, Inc. and Ticketmaster LLC (Case No. 1:24-cv-3973). DOJ. (The complaint has been brought forth by the United States and a coalition of states, including Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Florida, Illinois, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Virginia, Washington, West Virginia Wisconsin, and Wyoming.) https://www.justice.gov/atr/media/1353101/dl

O1. DOJ Sued Live Nation for Being a Monopoly



In its complaint filed on May 23, 2024, the DOJ dubbed Live Nation a "flywheel" - to describe the self-reinforcing cycle that Live Nation has constructed to strengthen its market dominance.³ This mechanism enables the company to leverage its control over venues and create a monopolistic hold on artist promotions - resulting in end-to-end control over the entire ecosystem.

Small promoters and emerging artists fare the worst under these anticompetitive conditions. Additionally, these practices harm consumers by restricting the transferability of tickets, raising serious concerns about the overall impact on the live entertainment market and consumers' ability to access and enjoy live events.

Live Nation dominates the entire live event industry - including sports and comedy shows, as well as concerts. It is the most significant player in event promotion, with exclusive contracts with many of the largest venues, such as The United Center (home to the Chicago Bulls and Chicago Blackhawks) and The Barclays Center (home to the Brooklyn Nets). It is the primary ticket seller, a seller of tickets directly to consumers, ⁴ for 80% of live concerts.

The DOJ antitrust case against Live Nation and Ticketmaster⁵ details how Live Nation:

"directly manages more than 400 musical artists and, in total, controls around 60% of concert promotions at major concert venues across the country."

Live Nation further:

"owns or controls more than 265 concert venues in North America, including more than 60 of the top 100 amphitheaters in the US... [and] control roughly 80 % or more of major concert venues' primary ticketing for concerts and a growing share of ticket resales in the secondary market."

With such market control, Live Nation can ensure its ticketing platform is the primary or sole option available to consumers, reinforcing its market dominance.

³ U.S. Department of Justice. (2024). Complaint against Live Nation Entertainment, Inc. and Ticketmaster LLC (Case 1:24-cv-3973). DOJ. p. 23 https://www.justice.gov/atr/media/1353101/dl

⁴ Definition, Primary ticket seller, Law Insider. https://www.lawinsider.com/dictionary/primary-ticket-seller

⁵ U.S. Department of Justice. (2024). Complaint against Live Nation Entertainment, Inc. and Ticketmaster LLC (Case No. 1:24-cv-3973). DOJ. https://www.justice.gov/atr/media/1353101/dl

⁶ Id. at p.3.

⁷ Id.



Venues

The DOJ's lawsuit alleges that Live Nation employs anticompetitive conduct strategies to "protect Live Nation's power and keep rivals at bay," including exclusive ticketing contracts and relying on "carrots and sticks" to persuade venues to sign long-term agreements. Live Nation often secures exclusive agreements with venues that prevent them from selling tickets through any other company.

Additionally, Live Nation's vertical integration poses challenges to the live events industry. Venues that choose rival ticketing companies are met with retaliation, such as diverting concerts to other venues, disabling or delaying the sale of secondary tickets through rival platforms, and refusing to publicize shows hosted by venues that use competing ticketers. 10

In fact, Live Nation has systematically restricted access to its amphitheaters and other venues, choosing not to host shows promoted by competitors, even at the cost of potential profits. A 2018 internal analysis revealed that its top 10 amphitheaters are "dark" – without shows– on nearly 50% of their Saturdays in the summer, the peak season for concerts.¹¹

Additionally, a 2022 analysis found that these venues remain dark on an average of eight Saturdays between June and September. ¹² This deliberate underutilization of their venues stifles competition and limits opportunities for other promoters and artists. **By controlling both the venues and ticket sales, Live Nation can dictate terms to artists and event organizers, leading to inflated ticket prices.** This limits competition and consolidates Live Nation's excessive power over ticket pricing and fees. ¹³

Artists

Live Nation exerts control over artists by leveraging its amphitheater portfolio. Many artists are compelled to sign with Live Nation for their entire tours, knowing they will need access to these venues for their amphitheater shows.

⁸ U.S. Department of Justice. (2024). Complaint against Live Nation Entertainment, Inc. and Ticketmaster LLC (Case 1:24-cv-3973). DOJ. p. 30 https://www.justice.gov/atr/media/1353101/dl

⁹ Vertical Integration at Live Nation, ONErpm Blog. https://blog.onerpm.com/industry-news/vertical-integration-at-live-nation/

¹⁰ U.S. Department of Justice. (2024). Complaint against Live Nation Entertainment, Inc. and Ticketmaster LLC (Case 1:24-cv-3973). DOJ. pp. 78-79 https://www.justice.gov/atr/media/1353101/dl

¹¹ U.S. Department of Justice. (2024). Complaint against Live Nation Entertainment, Inc. and Ticketmaster LLC (Case 1:24-cv-3973). DOJ. pp. 45-46 https://www.justice.gov/atr/media/1353101/dl

¹² ld

¹³ Finkelstein, Matthew K., and Lagan, Colleen. "Not for You"; Only for Ticketmaster: Do Ticketmaster's Exclusive Agreements with Concert Venues Violate Federal Antitrust Law? Journal of Civil Rights and Economic Development, vol 10. https://scholarship.law.stjohns.edu/cgi/viewcontent.cgi?article=1417&context=jcred



For instance, the DOJ complaint found that a senior executive instructed staff not to offer higher payments to artists seeking to tour amphitheaters fully aware that these artists would likely have to work with Live Nation to secure those venues.¹⁴

By enforcing restrictive policies at these venues, Live Nation locks in emerging talent early in their careers and retains them as they progress to larger venues, such as arenas and stadiums. This approach consolidates Live Nation's power in the industry, limiting opportunities for other promoters.

Consumers

On the consumer end, Live Nation deploys a variety of tactics to restrict resale. First, non-transferable tickets, which include restrictions on digital ticket sharing and requirements for the original purchaser's name to be associated with the ticket, can create challenges for legitimate ticket holders.

For example, suppose a person buys tickets to a popular concert but is unable to attend due to an emergency. In that case, they may be unable to transfer the tickets to friends or family who would otherwise use them. This restriction prevents ticket holders from recouping their costs and results in empty seats at the event, which could have been filled by other interested fans, ultimately reducing overall consumer satisfaction and event attendance.

Second, Live Nation has at times required the original purchaser's name to be verified at the event, complicating the resale process and increasing the odds that a customer is stuck with a ticket he or she cannot use. This was the case for Taylor Swift's Eras tour, where Ticketmaster placed a lead booker policy – meaning only the original buyer can use the ticket¹⁵ – in Swift's United Kingdom tour leg before it reversed the policy following widespread backlash. Additionally, the added verification process can deter individuals from purchasing tickets through the secondary market, leading to fewer options and higher prices for those looking to buy tickets at the last minute.

Consequently, this lack of competition increases costs for fans and limits the diversity of events available, ultimately undermining the vibrancy of the live entertainment landscape.

¹⁴ U.S. Department of Justice. (2024). Complaint against Live Nation Entertainment, Inc. and Ticketmaster LLC (Case 1:24-cv-3973). DOJ. p. 46 https://www.justice.gov/atr/media/1353101/dl

¹⁵ Ticket Basics. What are lead booker events?, Ticketmaster. https://help.ticketmaster.co.uk/ho/en-us/articles/360001622297-What-are-lead-booker-events

¹⁶ Wilson, Tabitha. Major Taylor Swift ticket update as Ticketmaster announces Eras Tour policy change, Independent (Apr. 2024). https://www.independent.co.uk/arts-entertainment/music/news/taylor-swift-ticketmaster-eras-tour-policy-b2523475.html

How Live Nation's
State Lobbying
Strategy is Designed
to Maintain Its
Monopoly



Live Nation has actively sought to curb ticket resale through statelevel policymaking. The company has lobbied for laws that impose strict regulations on the secondary market, often advocating for measures that align with its business interests and anti-resale policies.

The company often hides behind various stakeholders to project an image of supporting the broader entertainment ecosystem:

Stakeholder	Role	Impact
National Independent Venue Association (NIVA)	Claims to support independent venues	Shapes policies that favor Live Nation's control
Small Venues	Aligned as allies in the industry	Restrictive practices limit their operational freedom
Celebrities/Sports Teams	High-profile partnerships that lend credibility	Distracts from monopolistic tactics

However, this facade masks the detrimental impact of its lobbying efforts, which prioritize its own interests over the needs of everyday consumers.

Affected Group	Challenges	Consequences
Consumers	Difficulty transferring or reselling tickets	Results in wasted time and money
Parents	Lack of flexible ticketing options	Hinders plans for nights out due to childcare needs
Local Communities	Limited entertainment choices	Reduces access to diverse and affordable events
Emerging Artists	Struggles to find opportunities	Faces barriers to showcasing their talent

A few legislative and regulatory examples illustrate how Live Nation targets consumer protection to reinforce their monopoly. These initiatives reveal a broader strategy to consolidate control over the ticketing landscape and undermine competition.

Bots

Ticketing "bots" are a problem - bad actors use them to buy tickets in bulk and then sell them at inflated prices, hurting legitimate consumers. Resellers agree it is a problem and also want to crack down.





However, the bill Live Nation championed in **Arizona** – **House Bill 2040**¹⁷– included provisions that hurt the resale market. Although the bill purportedly aimed at stopping bots, it would have affected reputable resellers by limiting the automated tools legitimate resellers use to purchase tickets.

If the ticket limits are set too low, resellers could struggle to get enough tickets for resale by any means, reducing the number of tickets available to consumers in the secondary market. **Notably, resold tickets are frequently below face value, saving consumers money.**

This bill, while ostensibly targeting bots, ultimately solidifies Live Nation's monopoly position by limiting the ability of legitimate resellers to operate. It reduces competition in the secondary market, allowing Live Nation to maintain higher prices and fewer choices for consumers. Consequently, as the availability of affordable resale tickets diminishes, consumers will increasingly rely on Live Nation's primary sales, effectively deepening its control over the ticketing landscape and undermining the claims made in the DOJ complaint about fostering a competitive market.

Fraud

Fraudsters scam consumers by selling fake tickets, sometimes on scammy websites that look deceptively similar to the artist or venue's actual webpage. Primary and secondary ticket sellers agree that we need good laws to protect consumers from fraud.



In **Colorado**, Live Nation supported **Senate Bill 23-060**, ¹⁸ a "**Trojan Horse Bill**," which nominally targeted fraud. But Live Nation couldn't settle for just combating fraud. It tacked on Live Nation-friendly provisions, which initially would have allowed event operators to declare any ticket sold outside their systems fraudulent, effectively ending resale in the state. ¹⁹

Consumer groups, including the National Consumers League, opposed this bill arguing that its language would harm consumers.²⁰ Governor Jared Polis vetoed the bill, stating, "I remain convinced that on balance, the provisions in this bill would harm consumers and put our entertainment ecosystem at risk." ²¹

This legislation illustrates how Live Nation **seeks to manipulate consumer protection measures to reinforce its monopoly.** By attempting to declare tickets sold through competing channels as fraudulent, Live Nation would eliminate a significant portion of the resale market, limiting consumer

¹⁷ Arizona State Legislature. House Bill 2040, (2024). https://www.azleg.gov/legtext/56leg/2R/bills/HB2040H.pdf

¹⁸ Bill Summary For SB23-060, Colorado General Assembly. https://leg.colorado.gov/content/78b86c79e2e1c49b8725897b006b8422-hearing-summary

¹⁹ Clark, Dave. Colorado Gov. Polis Vetos Controversial Ticketmaster-Backed Bill, Ticket News (2023). https://www.ticketnews.com/2023/06/colorado-gov-polis-vetos-controversial-ticketmaster-backed-bill/

²⁰ Blog. SFC and other Consumer Groups Call for Veto on SB 23-060, Sports Fans (2024.) https://www.sportsfans.org/sfc and other consumer groups call for veto on sb 23060



options and keeping ticket prices artificially high. These tactics undermine genuine efforts to combat fraud and further entrench Live Nation's dominance, as consumers would be left with fewer choices and higher prices, aligning with the allegations in the DOJ complaint about the company's anticompetitive practices.

Speculative Tickets and Ticket Procurement Services

Speculative ticket bans are often framed as consumer protection measures but are primarily designed to undermine ticket procurement services that offer real benefits to consumers. Ticket procurement services including VividSeats' Seat Saver program, ²² save customers the hassle of waiting in line and secure tickets for customers.



But Live Nation has targeted ticket procurement services with measures requiring seat numbers to be identified during transactions, allowing them to track and potentially block specific sales. A clear case is **California Senate Bill 785**, backed by Live Nation and NIVA,²³ which claims to promote transparency but actually weakens the resale market by prohibiting speculative tickets. Ticket procurement services allow consumers to buy tickets from resellers who promise delivery, providing flexibility that Live Nation seeks to eliminate.²⁴



Additionally, Live Nation's influence on **Maryland's Senate Bill 539**, signed into law by Governor Moore in May, underscores the company's extensive control over the ticketing industry.²⁵ This bill imposes strict regulations on resellers, particularly around speculative ticketing, with special disclosure requirements that apply uniquely to ticket procurement services. Live Nation enlisted the support of NIVA to provide testimony in favor of the bill, claiming it was "vital to protecting fans, preserving equitable access to entertainment, and restoring balance to the currently broken ticketing ecosystem."²⁶

However, the reality is that this bill imposes operational burdens on resellers and limits their available inventory, making it harder for consumers to access tickets. Too many people get locked out of fan experiences because they cannot buy highly sought-after tickets when the general "on-sale" begins. As such, fans benefit from resale generally and ticket procurement services specifically. Despite this, the Maryland legislation undermines

²² What is Seat Saver?, Vivid Seats. https://corporate.vividseats.com/seat-saver/

²³ SB 785: Consumer protection: ticket sellers, Session Year: 2023-2024, Digital Democracy CalMatters. https://digitaldemocracy.calmatters.org/bills/ca 202320240sb785

²⁴ Clark, Dave. Stripped Down Live Nation-Backed SB 785 Moves in CA Assembly, Ticket News (2024). https://www.ticketnews.com/2024/07/stripped-down-live-nation-backed-sb-785-moves-in-ca-assembly/

²⁵ Lind, JR. Maryland Governor Signs Ticketing Bill, Pollstar (May 2024). https://news.pollstar.com/2024/05/09/maryland-governor-signs-ticketing-bill/

²⁶ Letter, National and Maryland Live Music & Event Organizations Support Maryland's SB 539, (Match 2024). https://mgaleg.maryland.gov/cmte_testimony/2024/ecm/1r9bccba6R0vv4Aqaj4oFcilYVGsRdnpf.pdf



the secondary market for Live Nation's benefit. Thanks to a competitive secondary market, **the resale market in Maryland has saved \$16.5 million since 2017**, allowing fans to see their favorite shows.²⁷

These bills ultimately reinforce Live Nation's monopoly by specifically targeting speculative ticketing and ticket procurement services. By selectively imposing stringent regulations on speculative ticket sales, they limit consumer access to flexible purchasing options and strengthen Live Nation's control. By weakening ticket procurement services, these measures ensure that Live Nation remains the dominant player in the ticketing ecosystem, further entrenching its monopoly position through anticompetitive practices alleged in the DOJ complaint.

Customer Data Sharing

Maryland's SB 539 initially included anticompetitive provisions that required resellers to share customer data with the ticket issuer - usually Ticketmaster - under the pretense of informing customers about event changes. This mandate would have been deeply problematic, as it would have forced resellers to hand over sensitive customer information to their largest competitor.

As a practical matter, the data sharing requirements become even more complicated when one person purchases tickets for a group of friends or family, making it difficult to track individual buyers accurately. Although the provision was ultimately removed from the final bill, it is a salient example of the lengths to which Live Nation will go to limit consumer choice. Had it been included in the final bill it would have jeopardized consumer privacy, above all in light of Live Nation's recent data breaches.²⁸

Moreover, this data sharing requirement would have allowed Live Nation to leverage the data to enhance its own marketing strategies and target specific audiences more effectively. **Consequently, these measures not only help maintain but also deepen Live Nation's monopoly position, as alleged in the DOJ complaint.**

Additionally, it is **crucial that state legislators avoid undermining their own Attorney General by passing Live-Nation friendly ticketing laws**, especially those targeting resale, as 39 states and the District of Columbia have joined the DOJ's complaint against the company.

²⁷ Hess, Brian. *Ticketing Resale Laws Need To Protect Fans Not Businesses*, Maryland Reporter (Mar. 2024) https://marylandreporter.com/2024/03/05/ticketing-resale-laws-need-to-protect-fans-not-businesses/

²⁸ Live Nation reveals data breach at its Ticketmaster subsidiary, The Associated Press (June 2024). https://apnews.com/article/ticketmaster-live-nation-data-breach-a756d803c686e07f3b73444b3ca42c74





Massachusetts, for example, recently enacted the "Mass Leads Act,"²⁹ which includes anti-resale provisions like anti-transferability clauses and defines tickets as licenses, ³⁰ following the state's decision to join the DOJ's complaint against Live Nation and Ticketmaster in May.

In Blue are the 40 states and territories that joined DOJ's complaint:31



These strategies demonstrate how Live Nation and Ticketmaster actively engage with lawmakers to influence bill language that restrict resale activities, creating a regulatory environment that serves their interests and preserves their monopoly status. It is vital to recognize these tactics as they ultimately harm the secondary market and consumers.

²⁹ Governor Healey Signs Economic Development Bill to Strengthen Massachusetts' Global Leadership in Climatetech, Life Sciences, and Al, Massachusetts Government (Nov. 2024). https://www.mass.gov/news/governor-healey-signs-economic-development-bill-to-strengthen-massachusetts-global-leadership-in-climate-tech-life-sciences-and-ai

³⁰ Massachusetts Restricts Ticket Resale, Strengthening Ticketmaster's Monopoly: Mass Leads Act will drive up ticket prices for fans, Chamber of Progress (Nov. 2024). https://progresschamber.org/massachusetts-restricts-ticket-resale-strengthening-ticketmasters-monopoly/

³¹ U.S. Department of Justice. (2024). Complaint against Live Nation Entertainment, Inc. and Ticketmaster LLC (Case 1:24-cv-3973). DOJ. p. 23 https://www.justice.gov/atr/media/1353101/dl; Press Release. Ten Additional States Join Justice Department's Suit Against Live-Nation-Ticketmaster for Monopolizing Markets Across the Live Concert Industry, DOJ Office of Public Affairs (Aug. 2024). https://www.justice.gov/opa/pr/ten-additional-states-join-justice-departments-suit-against-live-nation-ticketmaster

O3. What State Policymakers Can Do About It



State legislators have a unique opportunity to enhance consumer protections in the live events ticketing market by supporting resale freedom laws and scrutinizing anticompetitive practices that limit fans' choices and drive up costs.

Resale freedom laws give consumers the right to resell tickets without facing punitive restrictions or extra fees from major ticketing platforms. These laws ensure that once a ticket is purchased, the buyer has ownership rights over it, allowing them to resell, transfer, or gift it as they wish, creating a more competitive, fair market that prioritizes consumer choice.

Several states have already passed effective resale protection laws. Below are examples of these laws and how they benefit consumers:



Arkansas –*Ticket Resale Law*: Permits consumers to freely resell tickets without restrictions, protecting consumers and supporting a competitive secondary market.³²



Colorado – *Resale Consumer Protection Act*: Ensures consumers have the right to transfer or resell tickets without restrictive conditions, fostering a competitive secondary market.³³



Connecticut – *Ticket Sales Transparency Act*: Requires clear disclosure of ticket fees and preserves the right to resell tickets without platform restrictions, supporting diverse resale options.³⁴



Maine – *Ticket Rights Law*: Protects consumer rights by preventing restrictions on ticket transferability, ensuring an open market for resale.³⁵



Oklahoma – *Ticket Resale Freedom Act*: Prevents limitations on ticket transfers, empowering consumers to resell tickets on any platform of their choice.³⁶



Virginia – *Ticket Resale Rights Act*: Safeguards consumer ownership of tickets, allowing resale on any platform and promoting a competitive marketplace.³⁷

³² AR Code §4-88-1203. Arkansas Code, Justia Law (2023.) https://law.justia.com/codes/arkansas/title-4/subtitle-7/chapter-88/subchapter-12/section-4-88-1203/

³³ CO Code §6-1-718. Colorado Revised Statutes, Justia Law (2022). https://law.justia.com/codes/colorado/2022/title-6/article-1/part-7/section-6-1-718/

³⁴ New Connecticut Law Will Protect Consumers' Ticket Buying, Selling, and Reselling Rights, Protect Ticket Rights. https://www.protectticketrights.com/news/54/New+Connecticut+Law+Will+Protect+Consumers+Ticket+Buying+Selling+and+Reselling+Rights

^{35 § 1301.} Maine Revised Statutes, Maine Legislature. https://legislature.maine.gov/legis/statutes/8/title8sec1301.

^{36 66} OK Stat § 182. Oklahoma Statutes, Justia Law (2023). https://law.justia.com/codes/oklahoma/title-66/section-66-182/

³⁷ Title 59.1. Chapter 38.2. Virginia Code. Virginia Law, Virginia General Assembly. https://law.lis.virginia.gov/vacode-full/title59.1/chapter38.2/





Washington State – *Fair Ticketing Act*: Bars resale restrictions, preserving consumers' right to choose any resale platform, benefiting both fans and independent resellers.³⁸



New York, Illinois and 5 other states have resale laws that could be strengthened, by improving the definition of "ticket." ³⁹

Important Note: The Problem with 'License Language' in Ticketing

The use of "license" language in ticketing legislation has created a loophole that unscrupulous venues can exploit. When a ticket is defined as a "license" rather than a **property right**, it gives venues and event organizers the power to **revoke the license** of any ticket that is resold. This means that even if a ticket was legally purchased, the venue can declare it invalid if it is resold to another party.

Resale freedom laws provide essential benefits to consumers by ensuring their rights to buy, sell, and transfer tickets without arbitrary restrictions by primary sellers like Live Nation. These laws help to keep ticket prices affordable and enhance consumer choice and access to live events. Resale freedom laws ban anti-consumer practices and empower fans to find tickets on the platform of their choice, increasing their chances of securing seats for popular events.

Additionally, as noted by the American Consumer Institute, **the resale market helped consumers save over \$440 million in 2023.**⁴⁰ Additionally, data analysis from Automatiq, a data analytics company within the ticketing industry, provided a large data sample including 80,000 live entertainment events covering domestic sales from January 1, 2023 through December 31, 2023, and found that **55% of sampled events offered tickets below face value.**⁴¹

Legislators must remain vigilant against proposals from Live Nation that may appear consumer friendly but ultimately serve as pretexts for maintaining their monopoly over the ticketing industry. Bills that purportedly claim to enhance transparency through speculative ticket bans, protect consumer rights through anti-bots legislation, or improve access through customer data sharing often contain hidden provisions that restrict competition and limit consumer choices.

³⁸ House Bill1648-S. Washington State Legislature, 2023-24. https://lawfilesext.leg.wa.gov/biennium/2023-24/Pdf/Bills/House%20Bills/1648-S.pdf?q=20240227175606

³⁹ What is Ticket Scalping, SEON https://seon.io/resources/dictionary/ticket-scalping/#:~:text=Further%2C%20 sachusetts (Seven states-New York, Illinois, Alabama, Georgia, New Jersey, Pennsylvania, and Massachusetts-have preventative legislation by requiring anyone selling or reselling tickets to need a special license.)

⁴⁰ Antitrust Ticketing Case Fails to Solve Pricing Problems, American Consumer Institute, American Consumer Institute. p. 7 https://www.theamericanconsumer.org/wp-content/uploads/2024/06/Antitrust-Ticketing-Case-Fails-to-Solve-Pricing-Problems.pdf

⁴¹ Id. at p.6.



By prioritizing the interests of a single dominant player, these measures undermine the very principles of a fair marketplace. It is crucial for policymakers to keep consumers at the forefront of their decisions, ensuring that laws genuinely empower fans rather than entrenching the power of monopolistic entities. By fostering a competitive environment, legislators can protect the rights of all ticket buyers, paving the way for a healthier and more accessible live event industry.

04.Conclusion

Live Nation's monopolistic control over tickets restricts competition and limits consumer choice. The company uses several strategies to stifle the secondary market, including exclusive contracts for ticketing services, venue management, ticket transfer restrictions, and influencing state legislation to enforce anti-resale measures.

As the DOJ stated in its complaint:

"It is often said that music requires little more than 'three chords and the truth.' In our modern economy, the live music industry requires that plus competition."

If legislators share this concern, they should avoid advancing Live Nation-favored laws that only entrench the company's position. Instead, they should adopt resale ticketing laws to foster competition, reduce ticket prices, and increase transparency. Such reforms would greatly benefit consumers and help create a more vibrant, competitive marketplace for live events.

About The Author



Aden Hizkias serves as a Policy Analyst at Chamber of Progress where she works on an array of policy issues including Technology, Fintech, and Civic Innovation. Aden received her B.A. in English Literature at the University of North Carolina at Greensboro and her J.D. from the American University Washington College of Law.

Aden currently resides in Washington, D.C. where she likes to explore museums, is an avid fiction reader, and enjoys writing books.

⁴² U.S. Department of Justice. (2024). Complaint against Live Nation Entertainment, Inc. and Ticketmaster LLC (Case 1:24-cv-3973). DOJ. p.5 https://www.justice.gov/atr/media/1353101/dl