

Congress of the United States

Washington, DC 20515

November 17, 2022

The Honorable Merrick Garland
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

Dear Attorney General Garland:

We write in support of American consumers, artists, and independent venues suffering from the Live Nation-Ticketmaster merger. There is overwhelming evidence that the merger between the world's largest concert promoter and the largest ticket provider strangled competition for ticketing in the live entertainment marketplace. While the harm consumers and artists have endured for over a decade cannot be reversed, ticketing and venue competitors, fans, and local music communities would breathe a collective sigh of relief if the merger were undone. Therefore, we urge you to begin a process to review and reverse this anti-competitive merger that has harmed countless Americans.

According to the Government Accountability Office's 2018 report, Live Nation Entertainment, holds more than 80 percent of the venue ticket sales market. The Federal Trade Commission held an important workshop in 2019 that examined the ticketing industry and heard concerns on Live Nation's anticompetitive behavior from actors throughout the industry. These important federal reviews, combined with repeated troubling media accounts and state sponsored reports, consistently show the unfair, deceptive, and anticompetitive practices endemic in the ticket industry.

Since the Live Nation-Ticketmaster merger, we have witnessed how the Department of Justice's (DOJ) consent decree failed to protect competition and consumers. The DOJ found that Live Nation Entertainment repeatedly violated the terms of the agreement by threatening venues and forcing the bundling of artists with ticketing services. These practices enabled Live Nation Entertainment to maintain its dominance in the primary ticketing sale market while growing its position in the secondary market. The prior administration's decision to extend the consent decree in 2019 until 2025 did not provide fair competition to the sector, and was unsatisfactory to protect consumers, artists, or independent venues. Rather than double-down on a failed approach, we implore DOJ to take steps needed to finally restore competition to the ticketing marketplace and live entertainment industry.

Despite Live Nation Entertainment's dominance of the primary ticket marketplace, the corporation created a new program to squeeze consumers even more. Ticket prices for many popular live events are now being set by a "market-based pricing" known as the "Official Platinum Seats" program.¹ Live Nation Entertainment claims this system allows artists and event organizers to determine the "true market value" of tickets. However, the system has resulted in fans paying exorbitant prices, many times unexpectedly.² Additionally, the fine print of the program allows additional amounts or fees to "be added on top of" the already elevated prices.³ Still not satisfied with its near monopoly of the primary sale of tickets, Live Nation Entertainment uses restrictive practices to tighten its grip on the secondary market, making it one of the largest ticket resellers in the United States. The company exploits its position to drive out competition in the resale market with potentially unfair and deceptive practices, while gouging fans with outrageous junk fees.

¹ <https://variety.com/2022/music/news/ticketmaster-bruce-springsteen-dynamic-pricing-defends-1235324318/>

² https://help.ticketmaster.com/s/article/What-are-Official-Platinum-Seats?language=en_US


³ Ibid


Live Nation Entertainment has successfully leveraged its power in live events and ticketing to aggressively expand its control of the live event marketplace. As venues and artists struggled to recover from the economic harm wrought by the pandemic, Live Nation Entertainment abused its market power to demand new and exploitative contract terms, cutting artists' fees, shifting the economic risk of cancellations to artists themselves, and even demanding ever-larger cuts of artists' merchandise sales – changes which artists either have to swallow, or pass on to fans in the form of higher prices.⁴ Artists who object to Live Nation Entertainment's terms may have few alternatives available in local markets; as the company's reach has grown, arranging a major tour without working with Live Nation Entertainment has become nearly impossible. Venues unwilling to contract with Live Nation Entertainment may find that the company opens a competing venue just down the street. Windfall profits from primary and secondary ticketing fees can even allow Live Nation Entertainment venues to operate temporarily at a loss to expand their influence, undercutting local venues' bids and further reinforcing the company's dominance.


A fair, open, and competitive marketplace has long been a cornerstone of our economy. In line with the President's executive order, we urge robust enforcement of our laws "to combat the excessive concentration of industry, the abuses of market power, and the harmful effects of monopoly and monopsony" that we continue to see in the ticketing industry.⁵ Without proper competition in the ticketing industry, music lovers, sports fans, and live event attendees are at the whim of Live Nation Entertainment. We strongly urge the DOJ to prevent anti-competitive practices and protect consumers, artists, and independent venues by immediately beginning a process to review and reverse the disastrous Live Nation-Ticketmaster merger.


Sincerely,

Sincerely,


Bill Pascrell, Jr.
Member of Congress


Jesús G. "Chuy" García
Member of Congress


Bonnie Watson Coleman
Member of Congress


Barbara Lee
Member of Congress

⁴ <https://www.rollingstone.com/pro/news/live-nation-memo-pay-cuts-covid-1016989/>

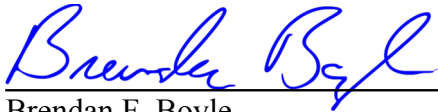
⁵ <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/07/09/executive-order-on-promoting-competition-in-the-american-economy/>



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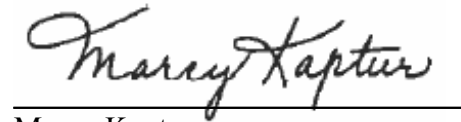
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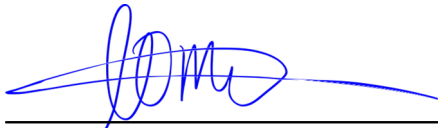
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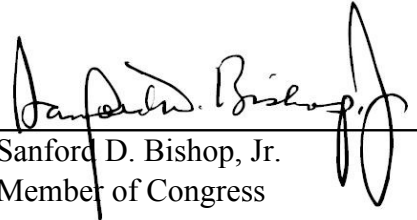
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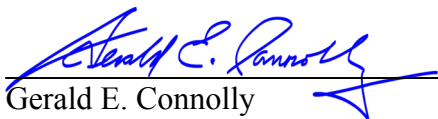
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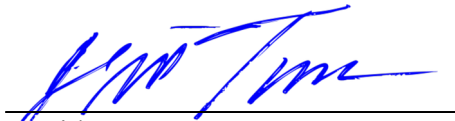
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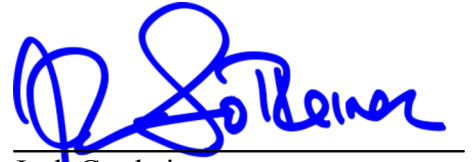
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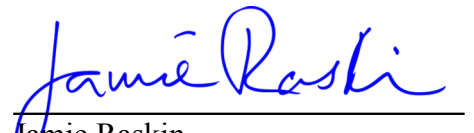
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