

United States Senate  
WASHINGTON, DC 20510

May 14, 2020

The Honorable Makan Delrahim  
Assistant Attorney General, Antitrust Division  
U.S. Department of Justice  
950 Pennsylvania Avenue, NW  
Washington, DC 20530

Dear Assistant Attorney General Delrahim:

In light of the devastating effect that the coronavirus (COVID-19) pandemic is having on the live performance industry, we write to urge the Antitrust Division to closely monitor these markets during and after the pandemic to help ensure that a vibrant and competitive live performance marketplace will reemerge once this crisis is behind us.

Due to the nature of COVID-19 and how it is transmitted from person to person, the live event industry has been hit as hard as any. Gathering with family and friends as part of a crowd to enjoy live music and other forms of entertainment is an important part of the fabric of American life. But as a result of the pandemic, live performance venues were among the first to close. And given the risks posed by large group gatherings, they will likely be among the last to reopen.

This has caused event spaces across the country to close their doors, with little prospect of reopening in the near future and no alternative sources of income. We recognize that independent industry participants may face additional challenges in weathering this crisis and are concerned that Live Nation Entertainment, a company that already dominates the live entertainment industry, will emerge even more powerful once it is over.

Given the Antitrust Division's recent renegotiation and extension of the Ticketmaster/Live Nation consent decree,<sup>1</sup> you are familiar with the many competition concerns that have been raised by industry participants concerning the business practices of Live Nation and its powerful market positions in ticketing, event promotion, sponsorship and advertising, artist management, and performance venue bookings. Even before the pandemic, industry participants had complained about Live Nation leveraging its significant presence up and down the live entertainment value chain to advantage its affiliate businesses. Under these unprecedented circumstances, which are threatening the entire industry, the Antitrust Division must continue to monitor these markets to ensure that Live Nation does not further entrench its market dominance at the expense of smaller rivals.

For instance, there are hundreds of independent performance venues around the country that have been forced to cease operations. These independent venues, most of which compete with Live

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<sup>1</sup> Justice Department Press Release, "Justice Department Will Move to Significantly Modify and Extend Consent Decree with Live Nation/Ticketmaster," (Dec. 19, 2019), <https://www.justice.gov/opa/pr/justice-department-will-move-significantly-modify-and-extend-consent-decree-live>; Amended Final Judgment, *U.S. v. Ticketmaster Entertainment, Inc.*, No. 1:10-cv-00139-RMC (D.D.C. Jan. 28, 2020), available at <https://www.justice.gov/atr/case-document/file/1241016/download>.

Nation venues, do not have the financial resources of a multi-billion dollar company to weather a drastic downturn in revenue. The financial stress of the pandemic could force many to close or sell out to large buyers, if not to Live Nation itself. And for those venues that are able to remain independent through the pandemic, many have raised concerns about Live Nation leveraging its dominance in ticketing, artist management, and other markets to prevent independent venues from booking events after the crisis is over. Apparently, in the midst of this crisis, some investors are also optimistic about Live Nation's long-term prospects; Saudi Arabia's sovereign wealth fund reportedly just invested \$500 million in the company.<sup>2</sup>

To be sure, the live entertainment industry is not the only part of the economy that has suffered steep declines during this pandemic, which has disrupted Americans' lives and exacted a horrific and still-climbing death toll. Nor is this industry the only one meriting continued careful antitrust scrutiny during and after this pandemic. But as you know, we have serious concerns about the state of competition in the live entertainment industry, and the severe financial stress on the industry only exacerbates our concerns. When Americans are ready to go back to stadiums, theaters, and concert halls, they deserve a competitive marketplace that offers value, choice, and a variety of entertainment experiences. Accordingly, we urge you to closely monitor these markets during and after this pandemic to ensure that all industry participants and consumers benefit from free and fair competition.

Thank you for your attention to this matter.

Sincerely,



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Amy Klobuchar  
United States Senator



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Richard Blumenthal  
United States Senator



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Cory A. Booker  
United States Senator

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<sup>2</sup> Caitlin Kelley, "Saudi Arabia's Public Investment Fund Buys \$500 Million Stake In Live Nation," FORBES (Apr. 29, 2020), at <https://www.forbes.com/sites/caitlinkelley/2020/04/29/saudi-arabias-public-investment-fund-buys-500-million-stake-in-live-nation/#176344391daf>.