

United States Senate
WASHINGTON, DC 20510

February 22, 2023

Jonathan Kanter
Assistant Attorney General for Antitrust
Department of Justice
950 Pennsylvania Avenue NW
Washington, DC 20530

Dear Assistant Attorney General Kanter:

As you know, we have long been concerned about the state of competition in America's ticketing industry, especially with the power and reach of Live Nation and its wholly-owned subsidiary, Ticketmaster. We strongly believe that music and live events connect communities and bring people together. For too long, Live Nation and Ticketmaster have wielded monopoly power anticompetitively, harming fans and artists alike.

We recently held a bipartisan hearing in the Senate Judiciary Committee at which the President of Live Nation testified under oath, as did other industry participants, including an artist, a secondary market ticketing company, a promoter, and industry experts. We write to share some of the evidence developed at that hearing and to encourage the Division to follow up on some remaining questions in this industry.

As an initial matter, other than Live Nation's executive, every witness at our hearing testified that Live Nation is harming America's music industry. For example:

- The Founder and CEO of Seat Geek testified that Ticketmaster now uses even longer exclusive agreements with venues, in some instances as long as ten years.
- Clyde Lawrence, lead singer in the band Lawrence, testified that on a \$30 ticket, Live Nation adds \$12 in fees, and of that \$42 price the customer pays, only \$12 goes to the band before accounting for its cost of the tour.
- A competing promoter, Jam Productions, testified that Live Nation attempts to lock up talent so competitors cannot produce concert tours. He also noted that 87 percent of Billboard's Top 40 Tours in 2022 were ticketed by Ticketmaster in the U.S. and that Ticketmaster has exclusive ticketing contracts for more than 85 percent of the nation's NFL, NHL, and NBA teams. (While Live Nation contested the accuracy of this data, it failed to provide any alternative data.)
- A public policy expert at the James Madison Institute testified that Ticketmaster's market dominance allows it to harm consumers through charging service fees and demanding exclusivities. In particular, he noted that the service fees can be greater than 30 percent and "are tacked on at the very end of the process, on the very last screen before purchasing," raising questions about deceptive pricing strategies.
- A former DOJ lawyer testified that the conduct remedies in the 2010 consent decree from the Live Nation-Ticketmaster merger investigation have failed and that such failures

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constitute hard evidence of the firm's monopoly power. She also testified that "the company still has the power to silence market participants who fear its retaliation."

We asked Live Nation a number of questions about competition both at the hearing and afterwards, but it has largely failed to answer them.

- We asked how many concerts per year were both promoted by Live Nation and ticketed by Ticketmaster, and the company said (without having asked for an extension of time) that it was "unable to determine" the answer "in the time available."
- We asked Live Nation to tell us for how many of the top 100 arenas Live Nation provides ticketing services, and the company provided no response.
- We asked how many venue contracts Ticketmaster lost to competitor Paciolan in recent years, and the company provided no response.
- We asked whether Live Nation has entered into any agreements with venues where the contract term for ticketing services is longer than five years, and the company provided no response.
- We also asked Live Nation if it would commit to having third party audits to confirm that it is neither threatening to retaliate or actually retaliating against venues that select other ticketing services providers after the consent decree expires. Live Nation refused to do so. Instead, it said "Live Nation does not need to be subject to a consent decree or any similar legal obligation to refrain from retaliating against a venue for using another company's ticketing services, and from threatening to retaliate for such choosing of another ticketing company."

Live Nation's responses amount to "trust us." We believe that is wholly insufficient. We thank you for your prompt attention to these matters and encourage the Antitrust Division to take action if it finds that Ticketmaster has walled itself off from competitive pressure at the expense of the industry and fans.

Sincerely,



Amy Klobuchar
United States Senator



Mike Lee
United States Senator