AMY KLOBUCHAR MINNESOTA

COMMITTEES: AGRICULTURE, NUTRITION, AND FORESTRY COMMERCE, SCIENCE, AND TRANSPORTATION JOINT ECONOMIC COMMITTEE JUDICIARY RULES AND ADMINISTRATION



November 16, 2022

Michael Rapino, President and CEO Live Nation Entertainment 9348 Civic Centre Drive Beverly Hills, CA 01210

Dear Mr. Rapino:

I write to express serious concerns about the state of competition in the ticketing industry and its harmful impact on consumers. Reports about system failures, increasing fees, and complaints of conduct that violate the consent decree Ticketmaster is under suggest that Ticketmaster continues to abuse its market positions.

Ticketmaster and LiveNation dominate the live entertainment supply chain with powerful positions in primary ticketing, secondary ticketing, concert promotion, artist management, tour sponsorships, and event venue operation. Ticketmaster's power in the primary ticket market insulates it from the competitive pressures that typically push companies to innovate and improve their services. That can result in dramatic service failures, where consumers are the ones that pay the price.

I have been skeptical of the combination of these companies since you merged in 2011, when the Senate held a hearing into the merger. At that hearing, you appeared as a witness and pledged to "develop an easy-access, one-stop platform that can deliver … tickets." And you said that you were "confident this plan will work." It appears that your confidence was misplaced.

When Ticketmaster merged with Live Nation in 2010, it was subject to an antitrust consent decree that prohibited it from abusing its market position. Nonetheless, there have been numerous complaints about your company's compliance with that decree. I am concerned about a pattern of non-compliance with your legal obligations.

I look forward to your response to these questions, which I would appreciate receiving by November 23, 2022.

1. Are you still "confident" that your plan to develop an "easy-access, one-stop platform" that will be a "trusted business partner"¹ is working?

¹ See <u>https://www.judiciary.senate.gov/imo/media/doc/09-02-24RapinoTestimony.pdf</u> (your Senate testimony).

- 2. Typically, what percentage of high profile tour tickets are available to the general public compared to those allocated to pre-sales, radio stations, VIPs, and other restricted sales opportunities? Please provide specific recent examples and data.
- 3. Ticketmaster has been repeatedly accused of violating the requirements of its consent decree with the Department of Justice. Is Ticketmaster aware of any complaints that have been made to it or to government agencies about potential noncompliance with the consent decree in the last twelve months? If so, please provide details about each alleged incident.
- 4. In the last twelve months, how much have you invested in upgrading your systems to address demand surges, and specifically, what improvements did those investments generate?
- 5. In the last three years, has the Ticketmaster Board of Directors received information about decree compliance? If so, please provide copies of any materials provided to any Board member on this topic.

Thank you for your attention to this important matter.

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United States Senator