

NATIONAL CONSUMERS LEAGUE

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March 13, 2025

Senator Chip Curry, Chair Representative Traci Gere, Chair

Joint Committee on Housing and Economic Joint Committee on Housing and Economic

Development Development

100 State House Station 100 State House Station

Augusta, ME 04333 Augusta, ME 04333

RE: National Consumers League Support for LD 913, An Act to Prohibit Ticket Sellers from Prohibiting the Transfer of Tickets to Third Parties

Dear Chair Curry and Chair Gere,

On behalf of the National Consumers League ("NCL") and live event fans in Maine, I am writing to express NCL's support for LD 913,¹ which would preserve the rights of live event fans to benefit from a competitive ticket marketplace in the state. Founded in 1899, NCL is America's pioneering consumer advocacy organization. Our non-profit mission is to advocate for social and economic justice for consumers and workers in the United States and abroad.

LD 913 would prevent Live Nation-Ticketmaster from further entrenching its monopoly position in Maine's live event marketplace. Protecting the transferability of tickets would be consistent with the position the U.S. Department of Justice (DOJ), and 30 bipartisan state Attorneys General took when they brought suit against Live Nation Entertainment (the

¹ Online: https://legislature.maine.gov/backend/App/services/getDocument.aspx?documentId=111948

parent company of Ticketmaster) last year.² The suit alleges that Live Nation illegally monopolized the live event marketplace and harmed consumers, venues, and artists. By supporting this bill, the Maine Legislature would help ensure that Live Nation-Ticketmaster cannot to engage in precisely the sort of anti-competitive conduct in Maine that the DOJ's suit seeks to correct.

The need for this bill is clear due to the increased use by Live Nation-Ticketmaster of its "SafeTix" technology, which allows event organizers to limit ticket transfer and resale to Ticketmaster's own resale platform. This prevents fans from benefiting from competition by competing resale marketplaces. As the DOJ's complaint notes:

"Ticketmaster's SafeTix marketed this change as reducing the risk of ticket fraud from stolen or illegal counterfeit tickets. But there were less restrictive ways to reduce fraud. Ticketmaster's own documents show that a primary motivation behind its push for a non-transferable digital ticket was to make it more difficult for a fan who wishes to buy or sell a SafeTix-encrypted ticket through a secondary platform to use a rival platform like StubHub or SeatGeek. One document from a Ticketmaster executive meeting in 2014, for example, describes the 'non-transferrable digital ticket' as 'a game-changer."

SafeTix also allows Live Nation-Ticketmaster to expand its data dominance in the marketplace, a key way it defends its monopoly. As the DOJ complaint notes:

"In addition to inserting Ticketmaster as an intermediary into secondary ticket transfers and transactions, SafeTix has also fortified Live Nation's data advantages over its rivals. According to internal documents, SafeTix was expected to grow the

² U.S. Department of Justice. "Justice Department Sues Live Nation-Ticketmaster for Monopolizing Markets Across the Live Concert Industry," Press release. (May 23, 2024) Online: https://www.justice.gov/archives/opa/pr/justice-department-sues-live-nation-ticketmaster-monopolizing-markets-across-live-concert

³ United States v. Live Nation Entertainment, Inc. & Ticketmaster L.L.C., No. 1:24-cv-03973 (S.D.N.Y. Aug. 19, 2024). Pg. 46. Retrieved from https://www.justice.gov/archives/opa/media/1364366/dl?inline.

'size/value of the TM database,' already by far the largest of any ticketer, by as much as 30 to 40%. As Live Nation's CEO put it, '[o]ne of the advantages we've launched under the transfer strategy is we now not only know the person that bought the ticket, but we're going to know those three people that you are taking to the show, which we have not known historically.' Live Nation can monetize this unique trove of data in its various businesses to both increase its bottom line and further entrench its positions across the live entertainment industry."⁴

On behalf of live event fans in Maine and across the country, thank you for considering our views. Should you or your colleagues have any questions, please do not hesitate to reach out to us at your convenience.

Sincerely,

John Breyault

Vice President, Public Policy, Telecommunications, and Fraud

National Consumers League

Mr. Ryste

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⁴ Ibid. Pg. 47.