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16 Roberts, on behalf of themselves and all  
those similarly situated

17 UNITED STATES DISTRICT COURT

18 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

19 Skot Heckman, Luis Ponce, Jeanene  
20 Popp, and Jacob Roberts, on behalf of  
21 themselves and all those similarly  
situated,

22 Plaintiffs,

23 v.

24 Live Nation Entertainment, Inc., and  
Ticketmaster LLC,

25 Defendants.

CASE NO.

**COMPLAINT**

Jury Trial Demanded

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1 **PRELIMINARY STATEMENT**

2 1. This is an unusual case. For years, Defendants Ticketmaster LLC  
3 (“Ticketmaster”) and Live Nation Entertainment, Inc. (“Live Nation Entertainment”)  
4 have compelled consumer claims against them to arbitration, including in a case  
5 brought by the undersigned attorneys in 2020, *Oberstein v. Live Nation*, 20-cv-03888  
6 (C.D. Cal.) (Wu, J.) (“*Oberstein*”). Suddenly, on July 2, 2021—while the Court in  
7 *Oberstein* was preparing its order on Defendants’ Motion to Compel Arbitration—  
8 Defendants drastically altered the arbitration agreement on which they had moved to  
9 compel arbitration.

10 2. Although the old arbitration agreement (“JAMS agreement”) selects  
11 JAMS, an established arbitration forum, the new agreement (“New Era agreement”),  
12 which is Section 17 of Defendants’ Terms of Use, designates New Era ADR as the  
13 dispute resolution forum.<sup>1</sup> New Era ADR was launched in April 2021 with the mission  
14 of “helping businesses settle legal disputes” by creating rules that “make[] sense for  
15 businesses” and that also benefit “law firms, who are able to provide an improved client  
16 experience” to businesses “and handle a higher volume of cases” that are filed by  
17 consumers.<sup>2</sup> New Era ADR advertises having launched “with around 10 clients,” i.e.,  
18 businesses, who have designated New Era ADR as the forum “in nearly 700 contracts,”  
19 which New Era ADR expected “will provide a pipeline of potential clients,” i.e.,  
20 additional businesses, “down the road.”<sup>3</sup>

21 3. Unlike traditional arbitral forums that, like courts, set filing fees for  
22 both claimant-plaintiffs and respondent-defendants, New Era ADR offers businesses  
23

24 <sup>1</sup> See Ticketmaster, *Terms of Use* (last updated July 2, 2021),  
25 [https://help.ticketmaster.com/s/article/Terms-of-Use?language=en\\_US#section17](https://help.ticketmaster.com/s/article/Terms-of-Use?language=en_US#section17).

26 <sup>2</sup> Jim Dallke, *This startup is helping businesses settle legal disputes completely*  
27 *online*, Chicago Inno (May 3, 2021),  
<https://www.bizjournals.com/chicago/inno/stories/profiles/2021/05/03/online-arbitration-mediation-startup-new-era-adr.html>

28 <sup>3</sup> *Id.*

1 a subscription model whereby the businesses keep New Era ADR on retainer.<sup>4</sup> Each  
2 year, Defendants pay New Era ADR a “subscription fee.” Defendants pay that  
3 subscription fee whether there are 100,000 consumer filings or no consumer filings  
4 against it. And once they pay the subscription fee, Defendants require each  
5 consumer to pay the entirety of the additional, per-filing fee of \$300.

6 4. When one of many aggrieved consumers files a dispute against  
7 Defendants with New Era ADR, the consumer has no choice but to submit to  
8 batched arbitration proceedings. On the one hand, the New Era agreement requires  
9 a consumer to bring claims “ONLY IN AN INDIVIDUAL CAPACITY” and bars  
10 “ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING.” On the  
11 other hand, once multiple consumers file cases against Defendants, New Era ADR  
12 will group their cases together for any reason it deems appropriate, including the  
13 consumers’ counsel of choice. The batched cases will then be assigned to a single  
14 decisionmaker, chosen under unfair procedures that abridge consumers’ rights to  
15 select neutral decisionmakers and that later-filing consumers will not be able to  
16 participate in at all. That decisionmaker will then preside over the selection and  
17 litigation of a few bellwether cases, during which all other consumers will be forced  
18 to wait with no progress on their cases, and after which the outcome of those  
19 bellwether cases will be forced on all consumers. The New Era agreement thus  
20 requires consumers to engage in a novel and one-sided process that is tailored to  
21 disadvantage consumers.

22 5. Even if consumers prevail under the New Era agreement, and even if  
23 the consumers have a statutory right to attorneys’ fees and costs, the New Era  
24 agreement strips that right away, leaving it up to the unfairly chosen  
25 decisionmaker’s discretion to award those fees and costs “as necessary.” The New  
26 Era agreement skews the odds so egregiously in Defendants’ favor through its

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27 <sup>4</sup> See New Era ADR, *Rules and Procedures* (last updated October 13, 2021),  
28 <https://www.neweraadr.com/rules-and-procedures/>

1 defense-biased provisions, and is imposed in such a procedurally unfair manner, that  
2 it is permeated with unconscionability to a far greater degree than the prior JAMS  
3 agreement.

4         6.       Setting aside the New Era agreement, the core of the dispute has not  
5 changed since *Oberstein*. Plaintiffs bring this class action against Defendants under  
6 Sections 1 and 2 of the Sherman Act, 15 U.S.C. §§ 1 and 2, to recover the damages they  
7 suffered from paying supracompetitive fees on primary and secondary ticket purchases  
8 from Ticketmaster’s online platforms.

9         7.       For decades, Ticketmaster and its predecessor, Ticketmaster  
10 Entertainment, Inc., has dominated primary ticketing services for live music events at  
11 major concert venues throughout the nation.<sup>5</sup> Today, Ticketmaster has a market share  
12 exceeding 70% of primary ticketing services for major concert venues, which has come  
13 about in part by virtue of a web of long-term exclusive dealing agreements and various  
14 anticompetitive acts detailed herein, and provided Ticketmaster with decades of market  
15 dominance. By Defendants’ own count, Ticketmaster provides primary ticketing  
16 services to over 12,000 venues, with more added every year. As the Department of  
17 Justice’s Antitrust Division noted in 2010, and as public facts from subsequent  
18 litigation have demonstrated, there are high barriers to entry in the market for primary  
19 ticketing services for major concert venues, including, among other things, the long-  
20 term exclusive dealing agreements mentioned above. These barriers and Defendants’  
21 many anticompetitive acts have assured that Ticketmaster’s market power has long  
22 been (and remains) impregnable. As a result, over 70% of tickets for major concert  
23 venues in the U.S. are sold through Ticketmaster’s online platforms, despite that—as it  
24 has done for years—Ticketmaster charges supracompetitive fees made possible by its  
25 dominant market position.

26 \_\_\_\_\_  
27 <sup>5</sup> “Primary” ticketing refers to the initial distribution of tickets for a show. This is  
28 as compared to “secondary” ticketing, which refers to the resale of previously-  
purchased tickets, typically at a higher price.

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8. But Ticketmaster is not just a standalone company; it merged with Live Nation Entertainment in 2010 and today those entities jointly form the world’s largest and most powerful live music company. In the United States alone, Live Nation Entertainment is by far the largest and most dominant concert promoter for major concert venues, with a roster of clients that includes the vast majority of top touring acts in the world. And Ticketmaster provides the vast majority of ticketing for those top grossing tours, as the former Chief Economist of both the Federal Trade Commission and the Antitrust Division summarized in a recently-concluded lawsuit:

Figure 10. Ticketmaster's US share of Pollstar top 2015 North American tours

PS tour rank	Tour	Share of events	Share of shows	Share of tickets sold	Share of total gross
1	TAYLOR SWIFT	77.8%	74.5%	84.9%	84.6%
2	KENNY CHESNEY	77.1%	74.1%	82.2%	82.0%
3	GARTH BROOKS	66.7%	72.0%	74.2%	71.7%
4	THE ROLLING STONES	85.7%	85.7%	85.3%	87.4%
5	KEVIN HART	87.2%	89.8%	88.9%	88.8%
6	U2	85.7%	92.9%	94.3%	94.9%
7	ONE DIRECTION	94.1%	94.1%	93.9%	95.3%
8	LUKE BRYAN	90.7%	88.3%	90.0%	88.1%
9	BILLY JOEL	61.1%	75.9%	72.0%	72.8%
10	SHANIA TWAIN	66.7%	66.7%	66.0%	67.8%
11	FLEETWOOD MAC	76.3%	76.9%	76.4%	76.2%
12	JUAN GABRIEL	82.8%	80.0%	80.2%	78.8%
13	AC/DC	75.0%	75.0%	73.0%	72.1%
14	GRATEFUL DEAD - "FARE THEE WELL"	100.0%	100.0%	100.0%	100.0%
15	TRANS-SIBERIAN ORCHESTRA	73.3%	73.0%	74.0%	73.4%
16	ZAC BROWN BAND	88.9%	86.0%	81.3%	76.7%
17	CIRQUE DU SOLEIL'S KURIOS	50.0%	49.5%	47.1%	48.9%
18	MAROON 5	84.6%	85.7%	86.7%	84.5%
19	MADONNA	84.6%	85.7%	88.1%	89.0%
20	ELTON JOHN	64.7%	22.4%	44.4%	35.6%
21	CHRIS BROWN	88.9%	88.9%	90.9%	87.8%
22	DAVE MATTHEWS BAND	91.7%	90.9%	91.7%	91.8%
23	DEF LEPPARD	82.7%	82.7%	85.2%	80.6%
24	FOO FIGHTERS	82.1%	78.1%	77.8%	76.7%
25	ED SHEERAN	71.9%	68.6%	70.7%	70.2%

Note: "Events" are defined as a single headlining act performing at a single venue over consecutive dates; an "event" can have multiple "shows," which are individual performances by that headlining act (i.e., Irish rock band U2 putting on a three-night run at the United Center in Chicago is an "event" consisting of three "shows").

9. Subsidized by the supracompetitive profits Ticketmaster's business generates from its domination of primary ticketing services for major concert venues, Live Nation Entertainment is able to keep a stranglehold on concert promotion services—losing tens of millions of dollars annually—by paying its clients exorbitant amounts. Using its promotion business as a loss leader in turn helps maintain Ticketmaster's dominance, because venue operators must take into account the very

1 real possibility that Live Nation Entertainment will not route tours through their venues  
2 if they do not select Ticketmaster as their primary ticketing service provider. And, as  
3 the U.S. Department of Justice’s Antitrust Division recently revealed in public filings,  
4 this possibility was not just theoretical. Since shortly after Live Nation Entertainment  
5 and Ticketmaster merged in 2010, Defendants regularly threatened venues with less (or  
6 no) Live Nation Entertainment tours if they did not select Ticketmaster as their primary  
7 ticketing service provider. The practice was apparently so pervasive and insidious that,  
8 as the DOJ put it, “venues throughout the United States have come to expect that  
9 refusing to contract with Ticketmaster will result in the venue receiving fewer Live  
10 Nation concerts or none at all. Given the paramount importance of live event revenues  
11 to a venue’s bottom line, this is a loss most venues can ill-afford to risk.” This  
12 practice—which was, until recently, invisible to concert-going consumers, because  
13 consumers had no reason to know how venues contract for primary ticketing services,  
14 and because Defendants affirmatively concealed the behavior—went unchecked for so  
15 long that Defendants recently became brazen in their conduct. Live Nation  
16 Entertainment’s CEO and President, Michael Rapino, publicly admitted (on  
17 information and belief, for the first time) in September 2019 that, if a venue wants to  
18 use a ticketing service provider other than Ticketmaster, the venue “won’t be the best  
19 economic place anymore because we don’t hold the revenue.” In other words, Mr.  
20 Rapino indicated that, consistent with the DOJ’s recently-made-public factual findings,  
21 Live Nation Entertainment would not route tours through that venue in the future  
22 because Ticketmaster does not provide primary ticketing services there. This threat  
23 was not lost on any serious industry participant.

24       10. The combined Live Nation/Ticketmaster behemoth has enormous, and  
25 unique, market power in primary ticketing and concert promotion services, and has  
26 shown it is unafraid to use that power. Furthermore, the public evidence indicates, ever  
27 since the 2010 merger, Ticketmaster acted under Live Nation Entertainment’s direction  
28 and control, including Mr. Rapino in particular, with respect to the anticompetitive acts



1 alleged herein. Live Nation Entertainment also provided substantial, independent  
2 assistance to Ticketmaster’s anticompetitive acts. As the DOJ recently put it,  
3 Defendants’ anticompetitive acts mean that, today, “many venues are effectively  
4 required to contract with Ticketmaster to obtain Live Nation concerts on reasonable  
5 terms, limiting the ability of Ticketmaster’s competitors to compete in the primary  
6 ticketing market and harming venues that would benefit from increased competition.”

7 11. But the anticompetitive harm and costs from Defendants’ acts are not  
8 shouldered by concert venues; consumers have that unenviable privilege, simply  
9 because they want to see their favorite artists perform live. Fans nationwide have long  
10 decried the extraordinarily high fees Ticketmaster imposes on the tickets it sells, a  
11 practice consumers cannot avoid because of Ticketmaster’s ubiquity and impregnable  
12 market power. As publicly-available evidence, including a recent report from the  
13 United States Government Accountability Office (“GAO”), shows, markets that are not  
14 encumbered by Ticketmaster’s monopoly over ticketing services demonstrate much  
15 lower prices for consumers. The GAO noted, for example, that while service fees for  
16 U.S. venues the GAO analyzed averaged 22% and could go as high as 38%, “[i]n the  
17 United Kingdom, where the venue and promoter typically contract with multiple ticket  
18 sellers, ticket fees are lower than in the United States—around 10 percent to 15 percent  
19 of the ticket’s face value, according to a recent study.” Similarly, according to a report  
20 from the New York Attorney General, at least as many as 65% of major concert venue  
21 seats are now sold by Ticketmaster (and all with service fees far beyond what would be  
22 paid in a competitive market).

23 12. Despite the consumer harms they cause, Defendants have continued to  
24 flourish by engaging in anticompetitive exclusive dealing with major concert venue  
25 operators (which are bolstered by Ticketmaster’s relationship with Live Nation  
26 Entertainment), as well as numerous other unfair and anticompetitive acts discussed  
27 herein that are aimed at eliminating and/or minimizing all competition, both in primary  
28 ticketing services and, more recently, secondary ticketing services.

1           13. Among those other predatory acts that collectively form its scheme,  
2 Defendants have improperly wielded the conditional copyright license Ticketmaster  
3 employs to grant access to its online platform as an anticompetitive weapon against all  
4 users on the site. According to the license’s terms, Ticketmaster website users cannot  
5 engage in a long list of practices aimed at purchasing a large number of primary tickets  
6 at once, including through the use of, *inter alia*, multiple user accounts and “bots.” If  
7 they do, then Ticketmaster states it may revoke the license to use its website and ban  
8 users, or put them toward the back of the line in terms of ticket purchasing priority (*i.e.*,  
9 electronically slow down their ability to purchase primary tickets). Defendants claim  
10 this is a pro-consumer conditional license but, the truth is it shows the lengths to which  
11 Defendants will go to stifle competition.

12           14. In reality, Ticketmaster’s conditional license is a tool to maintain its  
13 monopoly power in primary ticketing services for major concert services, as well as  
14 extend and leverage Ticketmaster’s monopoly power into secondary ticketing services  
15 for major concert venues, which it is attempting to monopolize just as it has already  
16 monopolized primary ticketing services for major concert venues. Defendants were  
17 recently caught red-handed telling consumers they are fighting ticket brokers (via the  
18 conditional license and other means) when they were actually using the license as a  
19 bludgeon to force secondary ticket brokers into agreeing to exclusively use  
20 Ticketmaster’s secondary ticketing platform, rather than other competing secondary  
21 ticket platforms, for their resales.

22           15. In addition to using the conditional license as an anticompetitive bludgeon,  
23 Defendants have also begun using their dominance over primary ticketing services to  
24 limit primary purchasers’ ability to transfer tickets, unless those purchasers resell their  
25 tickets through Ticketmaster’s secondary ticketing platform. Defendants do so through  
26 mobile ticket technology, which delivers a ticket to a purchaser’s smartphone.  
27 Historically, primary ticket purchasers have been able to transfer their tickets to  
28 whomever they want. They could resell their tickets on a competing secondary

1 ticketing platform and then transfer their tickets to the secondary purchaser free of  
2 charge. Now, however, Defendants have implemented technology that prevents such  
3 transfers, but still permits primary purchasers to resell their ticket on Ticketmaster's  
4 platform. Primary purchasers are unaware of these restrictions when purchasing their  
5 tickets, and then have no choice in which platform to use if they wish to resell their  
6 ticket.

7       16. Competing secondary ticketing service providers offer lower fees to  
8 secondary ticket purchasers than Defendants offer, which should create higher demand  
9 for secondary tickets sold on those other platforms (thus benefiting the ticket resellers).  
10 However, those secondary ticket competitors simply cannot compete with Defendants'  
11 unique combination of concert promotion and ticketing services (and Defendants'  
12 collective dominance). Thus, competing secondary ticketing service providers are at a  
13 distinct disadvantage in trying to simply compete on the merits.

14       17. Given these problems, Defendants' use of the conditional license as an  
15 anticompetitive weapon, as well as their limitations on primary ticket transferability,  
16 have had anticompetitive effects for both primary and secondary ticketing services.  
17 Among other effects, one effect is to grow Ticketmaster's secondary ticketing service  
18 business at the expense of its rivals (which provide the competing secondary ticket  
19 platforms on which brokers can opt to sell their purchased tickets), but not because  
20 Ticketmaster offers a better or cheaper service. Another effect is to dramatically  
21 increase Ticketmaster's revenues by allowing it to levy fees on the second (and third,  
22 etc.) sale of the same ticket(s) it sold in the primary sale. Ticketmaster has leveraged  
23 these effects into massive growth for its secondary ticketing service business, which has  
24 come at the expense of consumers because it has led to ever more supracompetitive  
25 ticketing fees for both primary and secondary ticketing services at major concert  
26 venues. That is a third effect of Defendants' conduct. On information and belief,  
27 Defendants' misuse of the conditional license alone has, like the recently-revealed  
28 information from the DOJ's investigation, continued for years and had substantial

1 negative effects on competition in the markets for primary and secondary ticketing  
2 services, which has led to higher prices for both secondary *and* primary ticket  
3 purchasers on Ticketmaster’s platform. When combined with the remainder of their  
4 bad acts, the harm is even more substantial for all types of ticket purchases.

5 18. Defendants’ anticompetitive scheme has been wildly successful and today  
6 threatens to put nearly all ticketing services for major concert venues (primary and  
7 secondary) in the United States under Ticketmaster’s monopolistic thumb.  
8 Ticketmaster’s dominance in primary ticketing services remains unchecked, and that  
9 dominance becomes ever more impregnable with each passing year due to Defendants’  
10 exclusive dealing, tying, and other anticompetitive conduct. Similarly, fed by the  
11 anticompetitive acts described herein, Ticketmaster’s secondary ticketing volume has  
12 seen remarkable, double-digit year over year growth for multiple years now,  
13 threatening to soon make Ticketmaster the largest secondary ticketing platform in the  
14 nation. This is despite that Ticketmaster has clearly engaged in blatant, anti-consumer  
15 behavior for years. In addition to its behind-the-scenes efforts to feed ticket brokers  
16 huge amounts of supply if they sold on Ticketmaster’s secondary platform, the DOJ  
17 recently needed to move to extend the consent decree it originally crafted to permit the  
18 Live Nation Entertainment-Ticketmaster merger, because Defendants—as has only  
19 recently become public to ticket-buying consumers—shamelessly violated its terms for  
20 years. The FTC also intervened in recent years to prevent Ticketmaster from moving  
21 concert ticket buyers from its primary to secondary platform (*i.e.*, by implying tickets  
22 offered at much higher prices than their face value were primary, as opposed to  
23 secondary, ticket sales).

24 19. Defendants’ predatory acts have increased and today threaten the entirety  
25 of competition within the primary and secondary ticketing services markets. Michael  
26 Rapino, Live Nation Entertainment’s CEO and President, has admitted that artists today  
27 make 95% of their income from live music events and that Live Nation is now the  
28 “largest single financier” of artists worldwide (more than record companies). Armed as



1 attributable to its Ticketing division (*i.e.*, Ticketmaster), even though Ticketmaster  
2 represented only 13.4% of Live Nation’s revenues.<sup>6</sup>

3         22. Defendant Ticketmaster LLC is a wholly-owned subsidiary of Live Nation  
4 Entertainment, Inc. Ticketmaster is a limited liability company organized and existing  
5 under the laws of Virginia with its principal place of business at 7060 Hollywood  
6 Boulevard, Hollywood, California, 90028. Ticketmaster LLC is the successor in  
7 interest to Ticketmaster Entertainment, Inc., a Delaware corporation, and is the largest  
8 ticketing company in the United States, with 2019 revenues of approximately \$1.54  
9 billion. As discussed herein, Ticketmaster’s business includes two main arms: its  
10 legacy primary ticketing services business and a newer, but increasingly-dominant,  
11 secondary ticketing service business. On information and belief, Ticketmaster’s share  
12 of secondary ticketing services for major concert venues in the U.S. already exceeds  
13 60%. Ticketmaster also has several additional divisions that provide ancillary services  
14 to these ticketing businesses. In performing the anticompetitive acts herein alleged,  
15 Ticketmaster acted under the direction and control of, and in coordination with,  
16 Defendant Live Nation Entertainment, and its senior-most executives.

17         23. Live Nation Entertainment and Ticketmaster merged in an all-stock  
18 transaction in 2010. Since then, the resulting conglomerate reorganized into the  
19 following three segments:

20                 (a) In the Concerts segment, Live Nation Entertainment acts as a  
21 promoter. It and AEG Live are the only promoters that can operate on a United States  
22 national and global scale; the remainder of its competitors are purely local in nature.  
23 Live Nation Entertainment often serves as the exclusive promoter for artists on national  
24 tours, and uses cross-collateralization across concerts and its deep pockets, including  
25 operating profits from its Ticketmaster and sponsorship divisions, to routinely offer  
26

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27         <sup>6</sup> Live Nation’s 2020 and 2021 revenues were different in part due to COVID-  
28 19, but the basic point remains the same: historically, an enormous portion of Live  
Nation’s revenues have been attributed to its Ticketing division.

1 artists higher guaranteed compensation than its only other national competitor, a  
2 company called AEG Live.<sup>7</sup> Live Nation Entertainment has over 60% of the concert  
3 promotion services market. Revenue streams from this segment are numerous and  
4 significant, but margins are below cost or very thin. (Adjusted operating margins for  
5 2019 were 2.6%.) Live Nation Entertainment's promoted artists obtain the vast  
6 majority of the Concerts segment's revenue.

7 (b) By contrast, the Ticketing segment (*i.e.*, Ticketmaster) is highly  
8 profitable with gross profit margins its own expert in a now-settled litigation stated  
9 exceeded 80%. This division primarily consists of the legacy Ticketmaster business,  
10 which focuses on primary ticket sales, as well as a newer business focusing on  
11 secondary ticket sales (*i.e.*, ticket resales). Ticketmaster sells tickets to the public under  
12 contract with the venues, and earns service and other ancillary fees on the sale of each  
13 ticket. Ticketmaster also has a growing secondary ticketing marketplace, with over \$1  
14 billion of gross transaction value in 2019 (more than 50% growth since 2013). This  
15 high-margin secondary ticketing business has provided an additional income stream for  
16 Ticketmaster on the same shows for which it sells primary tickets. This means  
17 Ticketmaster can generate revenues two or more times on the exact same tickets.  
18 Ticketmaster also maintains a database containing the contact information of over 130  
19 million customers, a valuable resource that it has generally refused to provide to the  
20 very artists who create the demand that drives ticket sales.

21 (c) The Sponsorship & Advertising segment leverages the 93 million or  
22 so fans Live Nation Entertainment draws to its shows, the 130 million-plus names in  
23 the Ticketmaster database, their stable of managed and promoted artists, and the venues  
24 they control to sell targeted advertising to major companies. In 2019, this segment  
25

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26 <sup>7</sup> The Anschutz Entertainment Group (AEG) is an American worldwide sporting  
27 and music entertainment presenter and a subsidiary of The Anschutz Corporation.  
28 AEG owns a variety of major concert venues throughout the U.S. that compete with  
Live Nation- and third party-owned concert venues for major live music concerts. AEG  
Live is AEG's promotion arm for live music concerts.

1 generated adjusted operating income of \$366 million on revenue of \$590 million—a  
2 62% operating margin.

3 24. In 2019, the Ticketing and Sponsorship & Advertising segments  
4 generated only 18.4% of Live Nation Entertainment’s revenues, but over *100%* of its  
5 adjusted operating income (reduced by its losses in Live Nation’s concert promotion  
6 business, and its general corporate costs).

7 **B. Plaintiffs**

8 25. Plaintiff Skot Heckman is a resident of San Bruno, California. He  
9 purchased primary and secondary tickets and paid associated fees for primary and  
10 secondary ticketing services for events at major concert venues from Defendants’  
11 online platform within the class period, including after Defendants adopted the New  
12 Era agreement.

13 26. Plaintiff Luis Ponce is a resident of Coral Springs, Florida. He purchased  
14 primary tickets and paid associated fees for primary ticketing services for events at  
15 major concert venues from Defendants’ online platform within the class period,  
16 including after Defendants adopted the New Era agreement.

17 27. Plaintiff Jeanene Popp is a resident of Clayton, Ohio. She purchased  
18 primary tickets and paid associated fees for primary ticketing services for events at  
19 major concert venues from Defendants’ online platform within the class period,  
20 including after Defendants adopted the New Era agreement.

21 28. Plaintiff Jacob Roberts is a resident of Fort Lauderdale, Florida. He  
22 purchased primary tickets and paid associated fees for primary ticketing services for  
23 events at major concert venues from Defendants’ online platform within the class  
24 period, including after Defendants adopted the New Era agreement.

25 **JURISDICTION AND VENUE**

26 29. This Court has subject matter jurisdiction over this action pursuant to 28  
27 U.S.C. §§ 1331 and 1337 because Plaintiffs bring this action under Sections 4 and  
28



1 Section 16 of the Clayton Act, 15 U.S.C. §§ 15 and 16, for violations of Sections 1 and  
2 2 of the Sherman Act, 15 U.S.C. §§ 1 and 2.

3 30. Venue is proper in this Court under 28 U.S.C. § 1391(b), because  
4 Defendants sell tickets throughout the State of California, including in this judicial  
5 district.

6 **ADDITIONAL FACTS**

7 **General Background on the Live Music Industry**

8 31. At a high level, the components of the live music entertainment industry  
9 include the following:



13 32. Artists are the draw for a live music event and drive demand for the  
14 services of every subsequent link and participant in the live music industry chain.

15 33. An artist manager serves as the “CEO” of an artist’s business activities,  
16 advising in some or all phases of the artist’s professional life (tours, appearances,  
17 recording deals, publicity, endorsements, etc.). Managers often are compensated based  
18 on a share of all of the artist’s revenues or profit streams. Defendant Live Nation is  
19 currently the largest manager of artists in the music industry.

20 34. The artist manager often hires booking agents to assist in arranging a  
21 concert event or tour. The manager or booking agent contracts with promoters, such as  
22 Live Nation Entertainment, to secure payment terms for artists as compensation for  
23 their live performances. Agents are typically paid a portion of an artist’s receipts from  
24 live performances.

25 35. The promoter is responsible for promoting the concert to the public, which  
26 requires several different types of work. The promoter typically receives the proceeds  
27 from gross ticket receipts for each concert it promotes and is responsible for paying the  
28 artist, venue, and other expenses associated with the event. For example, the promoter

1 hires the artist for the performance (often guaranteeing more popular artists millions of  
2 dollars for that performance or a national tour), generally contracts with the venue (or  
3 uses its own venues), pays the concert venue operator a fixed fee (rental payment) to  
4 host the concert at the venue, arranges for local production services, and advertises and  
5 markets the concert. The promoter bears the downside risk of an event if tickets sell  
6 poorly and reaps the upside benefit with the artists if tickets sell well. Put simply, the  
7 more tickets a promoter is able to sell for a show, the more money the promoter (and  
8 artist) should make.

9       36. Today, artists planning to conduct a tour at major concert venues often use  
10 a single company to provide and/or coordinate promotions for the entire tour. SFX  
11 Entertainment, Live Nation Entertainment's predecessor company, was the first to  
12 achieve this feat at scale across the industry by acquiring multiple regional promoters  
13 and integrating them into one national organization. The unique, nation-spanning  
14 services such a company provided to artists led them to view SFX (and, now, Live  
15 Nation Entertainment) as their promoter of choice for concert tours, large and small,  
16 particularly at major concert venues. Although some artists still use multiple regional  
17 concert promoters for a single national tour, the pre-SFX *status quo* has been reversed,  
18 and this practice is now the exception, not the rule, for tours that include shows at  
19 major concert venues. Defendant Live Nation Entertainment is the largest promoter in  
20 the United States, promoting over 60% of the shows at major concert venues in the  
21 nation.

22       37. Concert venue operators provide access to and maintain the facilities  
23 where concerts are held and oversee the venue's associated services, such as  
24 concessions, parking, and security. Along with a rental fee received from the promoter,  
25 venues generally take a share of the proceeds from concessions, parking, and artist  
26 merchandise sales. Concert venues that contract with Ticketmaster have also, in recent  
27 years, begun to take a portion of the fees added to the face value of tickets for events at  
28 the venue (discussed further below). Thus, similar to the promoter, the more tickets

1 sold (and the more patrons that attend the venue), the more money the concert venue  
2 operator makes.

3 38. In terms of ticket sales, concert venue operators have two options: either  
4 manage the sale of primary ticket inventory themselves or contract with a third party to  
5 handle the sale process for them. Managing and selling concert venue tickets is  
6 technologically and operationally complex, so most concert venue operators choose the  
7 latter option and contract with primary ticketing service providers (generally  
8 Ticketmaster for major concert venues) for comprehensive ticketing solutions. Of  
9 particular note for this Complaint is that, on information and belief, Live Nation  
10 Worldwide, along with other members of the Live Nation conglomerate, is the second-  
11 largest concert venue operator/owner in the United States and exclusively utilizes  
12 Ticketmaster for these services.<sup>8</sup>

13 39. Primary ticketing service providers contract with venues to manage and  
14 sell primary ticket inventory for events at that venue. Primary ticketing service  
15 providers create “back-end” inventory management systems and provide “front-end”  
16 support, including customer service, shipping, and fulfillment services, as well as the  
17 technology (and staff) to allow concert venue operators to sell tickets through their box  
18 offices. The primary ticketing service providers provide primary ticketing services to  
19 primary ticket purchasers and sellers by acting as a distributor agent (distributing  
20 primary tickets from primary ticket sellers to primary ticket purchasers), and sell the  
21 primary ticket inventory made available to them through means such as the Internet,  
22 call centers, and retail outlets and/or help the venue sell tickets at its box office.

23

24

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25 <sup>8</sup> Live Nation Worldwide, Inc. is a wholly-owned subsidiary of Live Nation  
26 Entertainment. In addition to the venues it owns and/or operates, Live Nation  
27 Worldwide also runs the website [livenation.com](http://livenation.com). That website is separate and  
28 distinct from Live Nation Entertainment’s website, [livenationentertainment.com](http://livenationentertainment.com),  
and has a different purpose. On [livenation.com](http://livenation.com), Live Nation Worldwide sells  
tickets to events at venues it owns or operates, as well as for shows promoted by  
Live Nation Entertainment. The only legal entity name actually listed on  
[livenation.com](http://livenation.com), however, is Live Nation Worldwide, Inc.

1           40. Primary ticketing service providers generate profits by applying additional  
2 charges to the price of tickets sold to primary purchasers. The overall price a consumer  
3 pays on a primary ticket purchase therefore generally includes the “face value” of the  
4 ticket (which is typically set by the artist and promoter),<sup>9</sup> as well as a variety of fees on  
5 top of/in addition to the face value of the ticket. As noted, these fees are generally  
6 charged, received, and retained by the primary ticketing service provider, although they  
7 may be split with other parties, including the concert venue operator. Typically  
8 described as “convenience,” “processing,” “service,” “facility,” and/or “delivery” fees,  
9 these fees can constitute a substantial portion of the overall cost of the ticket to the  
10 consumer.

11           41. Substantially all of the nation’s major concert venues have entered into  
12 long-term exclusive agreements with primary ticketing service providers—well over  
13 70% with Ticketmaster, and growing each year—whereby the ticketing service  
14 provider contracts for the exclusive rights to the majority of all ticket sales for all  
15 events held at the venue. By Defendants’ own count, Ticketmaster provides primary  
16 ticketing services to over 12,000 venues and has a renewal rate “exceeding 100%,”  
17 because there is no effective competition to Ticketmaster when these long-term  
18 exclusive dealing contracts expire.

19           42. According to Ticketmaster, its agreements with concert venues have terms  
20 that may exceed ten or more years in length and are typically in the 5-7 year range. In  
21 order to induce concert venue owners/managers to enter into such exclusive dealing  
22 agreements, Ticketmaster offers up-front payments and other subsidies that can run into  
23 the millions of dollars that are conditioned on such exclusivity. Those up-front  
24

25 \_\_\_\_\_  
26 <sup>9</sup> In recent years, Ticketmaster has rolled out “dynamic pricing” services, which  
27 helps artists and promoters dynamically adjust ticket face values based on market  
28 demand for a particular show. Thus, consumers attending the same show with roughly  
analogous seats may pay different face values for primary tickets based on when they  
purchase the ticket.

1 payments act as a barrier to entry for smaller competitors and act as an additional  
2 mechanism to maintain Ticketmaster’s dominance.

3 43. Once there is a primary ticket sale, the primary ticket purchaser typically  
4 may choose to resell their ticket. Historically, such “secondary” ticket sales (*i.e.*,  
5 resales) were challenging because it was logistically difficult to find a purchaser.  
6 Ticket holders wanting to sell their tickets were therefore typically relegated to either  
7 asking around to see if anyone they knew (or friends of friends) might want to purchase  
8 the ticket(s), selling to local ticket brokers or putting tickets on commission there, or  
9 heading to the event the day or evening of and selling to a scalper, who would then try  
10 to resell the ticket to passersby.

11 44. In recent years, however, a market for secondary ticketing service  
12 providers also arose. Such service providers typically offer online platforms connecting  
13 ticket resellers to ticket purchasers, and providing services to both by acting as a  
14 distributor agent (distributing secondary tickets from the former to the latter). This  
15 substantially reduces the logistical difficulties of reselling tickets. Today, selling a  
16 ticket is often as easy as posting the ticket on a secondary ticketing platform and  
17 waiting for a purchaser to locate and buy the ticket.

18 45. Like primary ticketing service providers, secondary ticketing service  
19 providers do not set the price of the ticket; that decision is left up to the ticket seller.  
20 Also like primary ticketing service providers, secondary ticketing service providers  
21 generate revenues by levying fees on the sale transaction. However, unlike primary  
22 ticketing service providers, secondary ticketing service providers typically charges fees  
23 on both sides of the transactions, as opposed to just on the ticket purchaser. A ticket  
24 seller therefore must pay a set fee (often a percentage of the “face value” they set for  
25 the ticket sale), and the purchaser must also pay a set fee (often, also a percentage of the  
26 sale price, as well as other assorted fees).

27 46. Due to the conduct alleged herein, Ticketmaster’s branded platform, as  
28 well as its TicketExchange, TicketsNow, TM+, and Verified Tickets secondary

1 platforms have, on information and belief, obtained a market share exceeding 60% of  
2 secondary ticketing services for major concert venues and are now threatening to obtain  
3 (or have obtained) monopoly power in secondary ticketing services for major concert  
4 venues just as it currently has in primary ticketing services for major concert venues,  
5 where it has a market share exceeding 70%.

6 **Defendants Have Dominance in Multiple Relevant Services Markets**

7 47. There are three relevant service markets applicable to this dispute. They  
8 are: (1) primary ticketing services for major concert venues; (2) secondary ticketing  
9 services for major concert venues; and (3) concert promotion services for major concert  
10 venues. Defendants are dominant in all three markets.

11 **C. Primary and Secondary Ticketing Services**

12 **i. Major concert venues constitute a distinct segment for**  
13 **ticketing services providers**

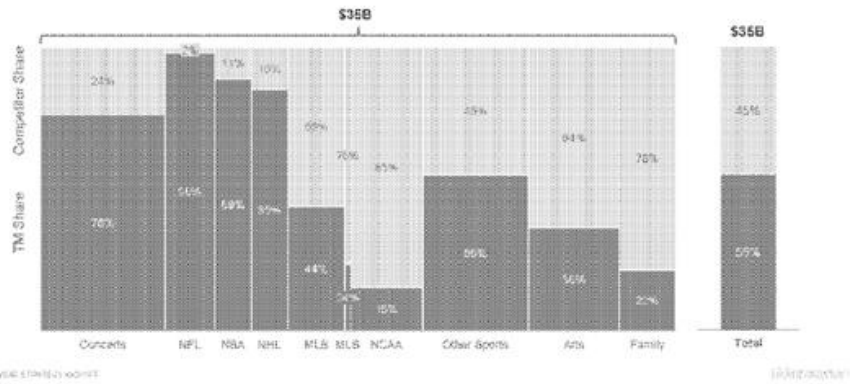
14 48. A major concert venue is a facility suitable for hosting events of the most  
15 successful artists and the largest concert tours. Due to popular demand for events  
16 featuring successful artists, major concert venues are likely to generate a larger volume  
17 of commerce (*e.g.*, ticket sales, merchandise sales, concessions) than other venues.  
18 Relative to other concert venues, major concert venues are also likely to have greater  
19 seating capacity and to be located closer to major metropolitan areas. In terms of  
20 events, major concert venues must be suitable for hosting live music concerts, but may  
21 also be used for non-music performances (*e.g.*, sports) or for other events requiring  
22 large seating capacity.

23 49. Ticketing service providers recognize that concerts require a specific type  
24 of ticketing service, and that major concert venues in particular require even more  
25 specialized ticketing services. Regarding the former point, Ticketmaster internally  
26 categorizes concerts as a specific type of ticketing. For example, in a previous lawsuit,  
27 Ticketmaster's Rule 30(b)(6) corporate representative testified that different types of  
28 venues are treated separately within the organization, and that "concerts" were one such

1 category. Ticketmaster’s former CFO also testified that Ticketmaster breaks down  
 2 tickets by category, one of which is “concerts.” Numerous Ticketmaster documents  
 3 (made public in prior lawsuits) similarly note that concert ticketing is a category unto  
 4 itself within Ticketmaster’s broader ticketing services business including but not  
 5 limited to the following:

6 **Figure 1. Ticketmaster 2015 market shares by vertical segment**

7  
 8 **2015 NA PRIMARY MARKET SIZING**  
 BY VERTICAL SEGMENT



15 Source: Ticketmaster, “2015 NA Live Entertainment Market Sizing” (presentation, n.d.), 2 (TM00020328 at -332).

16 50. Within the concerts ticketing services category, major concert venues  
 17 constitute a distinct segment. Major concert venues host the industry’s biggest acts.  
 18 Shows for super star artists sell out in minutes, bombarded by thousands of fans and  
 19 ticket brokers struggling to scoop up seats for top-tier performances. As the US  
 20 Department of Justice discussed in its January 25, 2010 Competitive Impact Statement  
 21 on the Ticketmaster-Live Nation Entertainment merger, “major concert venues require  
 22 more sophisticated primary ticketing services than other venues.” The websites of  
 23 ticketing service providers that service these venues need to be equipped to handle  
 24 massive online traffic. Such “high-demand events” have much higher requirements  
 25 than other types of events and have been likened to a “denial of service attack” by  
 26 industry insiders, meaning they receive heavy online traffic.

27 51. Artists and their managers also recognize that major concert venues are a  
 28 distinct category within the live music ticketing space. In previous litigation involving

1 Ticketmaster, one third-party deponent manager made clear that major concert venues  
2 were distinct from minor venues, from an artist’s perspective, and that ticketing for  
3 such venues was largely centralized in one place (Ticketmaster; discussed further  
4 below). This view is echoed by industry publications, such as Pollstar, that distinguish  
5 “major” concert venues from other venues within single categories, and even give out  
6 awards based on whether a venue is “major” or not (*e.g.*, “Best Major Outdoor Concert  
7 Venue”).

8 **ii. Ticketmaster has long dominated primary ticketing services**  
9 **for major concert venues**

10 52. As previously noted, Ticketmaster has dominated primary ticketing for  
11 decades, dominance that has increased over the past four years in part because of the  
12 merger with Live Nation Entertainment. Other companies have sought to compete  
13 against Ticketmaster for primary ticketing to concert venues over the years, but none  
14 have been successful because Ticketmaster acquired them, drove them out of business,  
15 or minimized their market share through a variety of tactics. Indeed, as the DOJ  
16 recently noted in moving to modify the Live Nation Entertainment-Ticketmaster  
17 consent decree, “Ticketmaster has been the largest primary ticketing service provider  
18 for major concert venues in the United States for at least three decades.” In 2017,  
19 Ticketmaster’s share of primary ticketing services in the United States exceeded 70%  
20 among major concert venues and, as noted, its market power is growing as a result of  
21 renewals and extensions of existing agreements. Furthermore, Ticketmaster sells the  
22 vast bulk of tickets for major concerts in the U.S. on an annual basis, because, as  
23 detailed herein, Live Nation Entertainment promotes the great majority of major  
24 concert tours each year and routes those tours through major concert venues for which  
25 Ticketmaster is the primary ticketing service provider.

26 53. High market shares are not the only indicators of Ticketmaster’s market  
27 power. Ticketmaster’s revenues are much greater than those of the next several largest  
28 primary ticketing service competitors combined, as are, on information and belief, its



1 gross profit margins. Moreover, although a small number of other primary ticketing  
2 competitors attempt to compete against Ticketmaster for primary ticketing rights at  
3 venues not controlled by Defendants, Defendants have admitted that Ticketmaster’s net  
4 renewal rate with venues on an annual basis has been “*over* 100%.” In other words,  
5 since it merged with Live Nation Entertainment, Ticketmaster has steadily increased its  
6 market share and dominance.

7       54. Live Nation Entertainment has long been the world’s largest promoter of  
8 live concerts, boasting that it is “the global leader in live.” Live Nation Entertainment’s  
9 Concerts business segment principally involves the promotion of live music events at  
10 concert venues throughout the world, although its largest footprint is in the United  
11 States. Live Nation Worldwide, combined with other members of the Live Nation  
12 conglomerate, is also the second-largest owner or manager of concert venues and owns,  
13 leases, operates, has booking rights for, or has equity interests in over 200 live  
14 entertainment venues of various sizes in the United States.

15       55. Before their merger, Live Nation Entertainment had been using  
16 Ticketmaster as its primary ticketing service provider and was one of Ticketmaster’s  
17 largest customers. In late 2006, Live Nation Entertainment (run then, as now, by Mr.  
18 Rapino) concluded that it would be better served by entering the ticketing service  
19 business itself. It believed that, as the nation’s foremost concert promoter, its  
20 prominence would give it immediate access to the primary ticketing services market.

21       56. That is exactly what happened. Shortly after rolling out its primary  
22 ticketing service strategy in 2008—which involved (a) licensing ticketing software  
23 from CTS Eventim, the leading German primary ticketing service provider, for both  
24 Live Nation and third party venues to use within the United States, and (b) engaging in  
25 price competition with Ticketmaster on ticket service fees—Live Nation Entertainment  
26 became the second-largest provider of primary ticketing services in the United States  
27 almost overnight (by signing up both itself *and* the largest venue operator of the time,  
28 SMG).

1           57. In order to protect and preserve its monopoly power in primary ticketing  
2 services and to remove Live Nation Entertainment as a competitor, Ticketmaster  
3 decided to merge with Live Nation Entertainment. The U.S. Department of Justice,  
4 California, and sixteen other states disagreed that this was permissible and, in January  
5 2010, sued to block the merger between Ticketmaster and Live Nation Entertainment.  
6 The primary concern expressed in the complaint was that the merger would eliminate  
7 competition and innovation in the market for primary ticketing services (defined in the  
8 complaint as “primary ticketing services”), by eliminating Live Nation Entertainment  
9 as a competitor of Ticketmaster. (Regulators did, however, also express concerns that  
10 the merger would also provide Ticketmaster with dominance in the secondary ticketing  
11 service provider market as well.) To reduce the government’s concerns, Defendants  
12 entered into a consent judgment with numerous requirements, including several  
13 behavioral remedies (*i.e.*, remedies meant to prevent certain anticompetitive behaviors).  
14 One of those behavioral remedies was that the merged entity was prohibited from  
15 conditioning or threatening to withhold artist tour stops (which Live Nation sets as an  
16 artist’s concert promoter) based on whether a venue selects Ticketmaster as its primary  
17 ticketing service provider. In other words, the merged companies could not punish or  
18 threaten to punish venues with less concerts if the venue decided not to use  
19 Ticketmaster as its ticketing service provider.

20           58. The consent decree, including its behavioral remedies, was set to expire  
21 recently, but the DOJ moved to extend the consent decree by five-and-a-half years,  
22 because Defendants engaged in multiple violations of the consent decree’s behavioral  
23 remedies. Those acts are discussed in further detail below. As relevant here, the DOJ  
24 noted its motion was necessary because Defendants’ acts had led to *further* domination  
25 by Ticketmaster in primary ticketing services—and, therefore, consumer harm during  
26 the class period.

27           59. Using a widely-recognized measure of market concentration called the  
28 Herfindahl-Hirschman Index (“HHI”), the post-Live Nation Entertainment and

1 Ticketmaster merger HHI for primary ticketing services for major concert venues  
2 increased by over 2,190 points, resulting in a post-merger HHI of over 6,900. The U.S.  
3 Department of Justice considers any market with an HHI of more than 2,500 to be  
4 highly concentrated. If Ticketmaster is successful in its quest to destroy competition in  
5 the primary and secondary ticketing services markets, the HHI would rise even higher,  
6 to nearly single-competitor—*i.e.*, pure monopoly—levels.

7         60. As discussed above, Ticketmaster is the largest primary ticketing services  
8 provider in the nation. Ticketmaster has historically possessed multiple competitive  
9 advantages. As a result, smaller primary ticketing service providers (of all types) have  
10 been limited in their ability to compete.

11         61. The primary source of, and barrier surrounding, Ticketmaster's market  
12 dominance is a nationwide web of long-term, exclusive dealing contracts with the vast  
13 majority of major concert venues throughout the United States. General sales under  
14 these contracts typically involve the sale of available tickets to the venue's shows,  
15 excluding artist presale allocations. In exchange, Ticketmaster pays the venue a high  
16 fixed fee (often including undisclosed rebates and other subsidies), which, depending  
17 on the venue and the term of the contract, can be many millions of dollars. Given the  
18 amounts at issue, this is a substantial barrier to entry and has allowed Ticketmaster to  
19 steadily grow its venue contracts since its merger with Live Nation.

20         62. The long-term exclusive dealing contracts with venues also create market  
21 power and barriers to entry because of their length and ubiquity. Ticketmaster's  
22 exclusive dealing arrangements with venues have terms that may range to ten or more  
23 years in length and presumably much longer for Live Nation-controlled venues.  
24 According to published industry data, Ticketmaster controls the distribution for over  
25 70% of major concert venues and works with over 12,000 venues total. Published  
26 industry data also indicates that approximately 70% of all online concert ticket sales are  
27 completed through ticketmaster.com or Ticketmaster-run websites.

28

1           63. Ticketmaster has also entered into long-term exclusive dealing  
2 arrangements with concert promoters, which is another barrier to entry and source of  
3 market power. Live Nation Entertainment, the largest of these promoters, utilizes its  
4 subsidiary and agent, Ticketmaster, almost exclusively and actively seeks to dissuade  
5 its artists from using any other presale ticketing platform.

6           64. In addition to Ticketmaster's exclusive contracts, new entry into the  
7 provision and sale of primary ticketing services is costly and time-consuming, thus  
8 constituting a substantial, additional barrier to entry. A ticketing service provider must  
9 develop, maintain, and efficiently operate the required ticketing software and hardware  
10 computer systems, and possess the ability to demonstrate the reliability of its computer  
11 systems. Moreover, for primary ticketing service providers in the current marketplace,  
12 the company must possess the ability to provide substantial up-front payments to  
13 customers. Given these baseline requirements, no new entrant has developed or can  
14 develop the combination of comparable business characteristics and abilities in order to  
15 compete in primary ticketing services with the combination of Ticketmaster and Live  
16 Nation Entertainment.

17           65. Ticketmaster's market power in primary ticketing services is evidenced by  
18 the high and supracompetitive fees that it charges for such services, and the restricted  
19 output those fees cause. Ticketmaster's fees can collectively increase the price of a  
20 ticket to the consumer by 20-80% over the ticket's face value, which, in turn, generates  
21 gross profits (after all rebates and other payments) to Ticketmaster of over 80%  
22 according to Ticketmaster's own expert in an earlier case. There are no effective  
23 constraints on Ticketmaster's ability to charge these supracompetitive fees because box  
24 office sales for most concerts and other events are minimal and are continuing to  
25 decrease. This is because (a) in certain cases, Ticketmaster dictates that box office  
26 sales cannot begin until a specified time period following commencement of the online  
27 general sale (*e.g.*, for Madison Square Garden, box office sales are prohibited until one  
28 day after the general sale commences on ticketmaster.com), (b) consumers realize they

1 have a better chance of obtaining a better seat online, and (c) consumers continue to  
2 increasingly prefer online purchases through mobile- or web-based applications. As  
3 noted above, these factors also lead to restricted output in overall ticket sales, as is  
4 demonstrated by the fact that 40-50% of tickets to concerts at Ticketmaster-contracted  
5 venues go unsold every year.

6 **iii. Ticketmaster is attempting to extend, or has extended, its**  
7 **monopoly power to secondary ticketing services for major**  
8 **concert venues**

9 66. As discussed above, secondary ticketing services help facilitate the resale  
10 of tickets, and they provide a distinct role in the live music industry. Similar to online  
11 auction websites like eBay, a secondary ticketing service provider creates an online  
12 platform that allows ticket holders to post their ticket(s) for sale. The ticket  
13 holder/seller determines the sale price for the ticket. The secondary ticketing platform  
14 then provides potential purchasers with search capabilities to locate tickets for events  
15 they want to attend. If a purchaser decides they want to buy one or more tickets for sale  
16 on the platform, they fill in their purchase information and the platform completes the  
17 sale. Typically, the secondary ticketing service provider charges both the seller and  
18 purchaser fees, usually based on the sale price of the ticket(s).

19 67. Within the live music industry, and among concertgoers nationwide, there  
20 is broad recognition that primary and secondary ticketing services are distinct. Live  
21 Nation Entertainment's CEO, Mr. Rapino, for example, has been repeatedly quoted  
22 discussing the difference between the two types of service, including noting that  
23 Ticketmaster has grown its secondary ticketing services substantially over the past  
24 several years.<sup>10</sup> Industry sources also regularly recognize the clear difference between  
25 such services, and secondary ticketing service providers are listed and grouped as a

26 <sup>10</sup> This growth has occurred *in addition to*, rather than instead of, growth in primary  
27 ticketing services, because Defendants' goal is to maximize revenue from primary  
28 ticketing services and then grow revenue by *also* selling those same tickets via  
Ticketmaster's secondary ticketing service platform.

1 distinct category of provider, although there is some overlap between the companies  
2 that provide such services.

3         68. Several other factors also demonstrate the unique and separate nature of  
4 secondary ticketing services (as opposed to primary ticketing services) for major  
5 concert venues:

6             (a) *First*, customers for secondary ticketing services (*i.e.*, secondary  
7 ticket sellers and purchasers) recognize the distinction between secondary ticketing  
8 service providers and primary ticketing service providers. In fact, primary ticketing  
9 service providers themselves (including Ticketmaster) all view secondary ticketing  
10 services as separate and distinct from primary ticketing services. Defendants' own  
11 public materials clearly make this distinction. For example, in Live Nation  
12 Entertainment's 2020 SEC Form 10-K disclosure statement, Live Nation Entertainment  
13 repeatedly distinguishes between "ticketing services" and "ticketing resale services,"  
14 noting that the former is for venues and the latter for resellers, and that the services they  
15 each provide are different. That same disclosure also distinguishes between "primary  
16 ticketing companies" (also referred to as "primary ticketing service providers") and  
17 "secondary ticketing companies." So, too, does the disclosure repeatedly distinguish  
18 between primary ticket sales and the "secondary ticket sales market." Other public  
19 analyses of the ticketing industry also regularly sort primary and secondary ticketing  
20 service providers into different categories.

21             (b) *Second*, all entities involved in the live music industry (including  
22 Defendants themselves) recognize that secondary ticketing services have unique  
23 purposes from primary ticketing services: the latter are meant to facilitate and run the  
24 original sale of tickets on a venue's behalf, and the former are meant to facilitate ticket  
25 purchasers' resale of their ticket(s) at a later date.

26             (c) *Third*, the customers for secondary ticketing services for events at  
27 major concert venues are distinct from the customers for primary ticketing services for  
28 events at major concert venues. For primary ticketing services, major concert venue

1 operators are the ticket sellers who retain primary ticketing service providers to act as  
2 their distributor agent and provide a number of back-end and front-end services to sell  
3 tickets directly to fans wishing to attend an event. For secondary ticketing services, the  
4 ticket sellers are purchasers who bought a ticket and now wish to resell that ticket. The  
5 ticket buyers who utilize the two types of ticketing services are also distinct, in that the  
6 secondary ticket buyers are purchasers who were unable to obtain the ticket they  
7 wanted from the primary ticketing service provider, and therefore needed to look for  
8 resale options instead.

9 (d) *Fourth*, there are distinct pricing models between the two ticketing  
10 service markets. Primary ticketing service providers generate profits by levying fees on  
11 top of a ticket's face value. That face value is not established by the venue operator  
12 (*i.e.*, the ticket provider), but rather by the artist and their promoter. The venue operator  
13 does not pay primary ticketing services fees—primary ticket purchasers do—and, due  
14 to recent changes in Ticketmaster's business model, now often shares in a portion of the  
15 levied fees, including by helping set the fee levels. Secondary ticketing service  
16 providers also generate profits by levying fees on secondary ticket sales, but that is  
17 where the similarity ends. Unlike in the primary market, secondary ticket prices are set  
18 on a ticket-by-ticket basis by the ticket seller (as opposed to by the artist and the artist's  
19 promoter). Moreover, unlike in the primary market, a secondary ticketing service  
20 provider typically charges the *ticket seller* a fee, often a percentage of the sale price of  
21 the ticket. However, secondary ticketing service providers *also* charge the purchaser  
22 one or more fees on the sale, thus obtaining profits from both sides of the transaction.

23 (e) *Fifth*, demand for secondary ticketing services is not sensitive to  
24 changes in prices for primary ticketing services, because such changes do not cause  
25 secondary purchasers to choose a different set of services. It is irrelevant to secondary  
26 ticket sellers and purchasers whether the prices primary purchasers pay for a venue's  
27 primary ticketing service provider (*i.e.*, the fees those primary ticket purchasers pay on  
28 top of a ticket's face value) change in any real way. What matters for the secondary

1 market customers is that they have a service available to post and potentially find (and  
2 purchase) a resale ticket.

3 (f) *Sixth*, there are specialized vendors that are largely distinct between  
4 the primary and secondary ticketing service markets, and the platforms they provide are  
5 substantially different, depending on the ticketing service involved. For primary  
6 ticketing service providers, the platform is venue-specific, and the services provided are  
7 aimed at facilitating a sale of primary tickets—which often includes the high-volume  
8 rush once tickets go on sale—as well as providing on-the-ground ticketing services at  
9 the actual event (*e.g.*, employees scanning tickets at the door). For secondary ticketing  
10 service providers, the vendor must instead provide a platform with very different  
11 services and functionality. A secondary platform focuses more on connecting sellers  
12 and purchasers, and also providing the necessary capabilities to complete their ticket  
13 transaction. The secondary ticketing service provider takes a fee for its platform, but is  
14 not the one actually conducting and setting forth the terms of the sale.

15 69. In the secondary ticketing services for major concert venues market, which  
16 is a distinct market for the same reason that primary ticketing services for major concert  
17 venues is a distinct market (*see supra* pages 27-29), Ticketmaster has a very small  
18 number of substantial competitors. On information and belief, along with  
19 Ticketmaster, those few secondary ticketing service providers control the vast bulk of  
20 the secondary ticketing services for major concert venues market, such that eliminating  
21 them via the acts described herein would give Ticketmaster well over 70-80% of the  
22 market.

23 **iv. Ticketmaster uniquely has substantial and increasingly**  
24 **dominant market share in both the primary and secondary**  
25 **ticketing services for major concert venues markets**

26 70. As noted above, Ticketmaster provides both primary and secondary  
27 ticketing services for major concert venues. Ticketmaster is unique, however, in that it  
28 is the only ticketing services provider in the nation to have substantial share of both



1 markets. Most of Ticketmaster's ticketing service competitors for major concert venues  
2 operate in one or the other market, and only a very small handful operate in both. For  
3 the latter group, however, the few competitors in that category focus primarily on one  
4 of the two relevant markets and have only a small presence in the other.

5 71. Based on public information, Ticketmaster currently controls over 70% of  
6 the primary ticketing services for major concert venues market, and, on information and  
7 belief, over 60% of the secondary ticketing services for major concert venues market.  
8 No other companies even remotely approach Ticketmaster's share of either market, and  
9 the elimination of either would lead to Ticketmaster controlling nearly the entire  
10 respective market.

11 72. As the above indicates, Ticketmaster's unique dominance in both  
12 categories of ticketing services has broad implications in the live music industry. If one  
13 were to assume, for example, that primary and secondary ticketing services for major  
14 concert venues were simply part of a single ticketing services market, Ticketmaster  
15 would *still* have monopoly power. The GAO recently noted that the primary ticketing  
16 services market in the United States is larger than the secondary ticketing services  
17 market. On information and belief, Ticketmaster's dominance in primary ticketing  
18 services and its ever-growing share of secondary ticketing services therefore means that  
19 it would still have well over 60% of a hypothetical combined ticketing service market  
20 for major concert venues. Furthermore, as Ticketmaster's pricing practices and  
21 admitted growth strategies in both types of ticketing services shows (*i.e.*, it attempts to  
22 maximize revenues in both types of services and does not view one type of service as  
23 cannibalizing the other), it has monopoly power even if one assumes a combined  
24 services market. In that alternative view of the market, its actions alleged herein are  
25 thus an example of anticompetitively obtaining and maintaining monopoly power, as  
26 well as attempting monopolization, in a single market rather than two separate markets.  
27 No matter how one views the markets, Defendants' conduct is inherently problematic  
28 for competition.

1 **D. Concert Promotion Services**

2 **i. Live Nation Entertainment is the unquestioned leader in**  
3 **concert promotion services for major concert venues**

4 73. On information and belief, Live Nation Entertainment controls at least  
5 60% of concert promotion services for major concert venues. AEG Live is Live Nation  
6 Entertainment's closest competitor, with roughly 20% of the market. Live Nation  
7 Entertainment, however, promotes the vast majority of the top grossing touring acts in  
8 the world (who tour almost exclusively at major concert venues), and it is the only  
9 promoter, national or regional, that has a direct corporate relationship with the nation's  
10 most dominant concert venue and artist presale ticketing service provider, Ticketmaster.

11 74. As discussed above, Live Nation Entertainment is the largest concert  
12 promoter in the nation and the world. Live Nation Entertainment has distinct  
13 competitive advantages as compared to AEG Live, the second largest concert promoter  
14 for major concert venues. Neither AEG Live nor any likely entrant to the concert  
15 promotion services market possesses the combination of attributes to prevent Live  
16 Nation Entertainment's selective exercise of market power over artists and major  
17 concert venues by the merged firm. New entry into the provision and sale of concert  
18 promotion services at the scale of Live Nation Entertainment is costly and time-  
19 consuming. Promoters for major concert venues must have the ability to provide  
20 substantial up-front payments to artists, and artists seeking to conduct a concert tour,  
21 particularly a national tour in the United States that includes major concert venues,  
22 require employees with the expertise, contacts, and business acumen to organize and  
23 promote such a tour (and with particularized knowledge of how to promote at such  
24 venues). Furthermore, given that a United States concert tour of major concert venues  
25 is specifically tied to the venues and regions in which it is conducted, and requires  
26 specialized knowledge and skills regarding those venues and regions (among other  
27 related factors), artists require that concert promotion services be provided in the  
28 United States by service personnel located in and throughout the United States. It

1 would take a prospective new entrant a substantial investment of money and over  
2 multiple years to develop the combination of comparable characteristics necessary to  
3 compete with the merged firm in concert promotion services and, even then, there is no  
4 assurance that it could in any way reduce Live Nation Entertainment's market power.

5 75. For nearly two decades, Live Nation Entertainment has dominated concert  
6 promotion services overall. It has maintained its dominance by virtue of its size and  
7 scope, and anticompetitive and unfair business tactics, including acquisitions of  
8 competing promoters, and incurring losses via significant overpayment to artists from  
9 tour revenues with the aim of reducing rival promoters' access to clients.

10 76. Additional entry barriers to Live Nation Entertainment's concert  
11 promotion dominance have also emerged since it merged with Ticketmaster, because  
12 Ticketmaster provides the bulk of the merged firm's annual operating income. With  
13 that income stream from Ticketmaster, Live Nation Entertainment is able to offer  
14 higher payments to artists than AEG Live and other concert promoters, and to use its  
15 promotion business as a loss leader to generate outsized profits for its ticketing and  
16 sponsorship businesses. In 2019, for example, Live Nation Entertainment reported in  
17 SEC filings that its promotion business operated at a \$53 million dollar loss. In the  
18 same period, Ticketmaster generated nearly \$232 million in operating income.

19 77. Live Nation Entertainment's ability to price concert promotion services in  
20 this way—losing money year after year after year—yet nevertheless ensure massive  
21 profits for the overall company is one of the reasons why Live Nation Entertainment  
22 has durable market power over its smaller competitors. Armed with that unique pricing  
23 ability, Live Nation Entertainment has only grown its market share and power without  
24 fear of serious competition. Live Nation Entertainment has also recently acquired most  
25 of largest annual festivals in the United States, which provides the Live Nation  
26 conglomerate yet more leverage over the entire live music industry.

27 78. Live Nation Entertainment's market power is also supported by current  
28 trends in the music industry. Whereas, in previous decades, revenues from recorded

1 music were musicians' main source of income, with touring revenues providing a  
2 smaller income stream, those statistics have since reversed themselves. This reversal is  
3 largely due to the advent of modern music streaming and download technologies, and it  
4 requires artists to place much more emphasis on the touring portion of their careers.  
5 This reality has greatly increased Live Nation Entertainment's power and control over  
6 the shape of artists' careers, making them more reluctant than ever to defy Live Nation  
7 Entertainment more broadly, including by selecting a different promoter and/or  
8 planning tours that try to focus on non-Ticketmaster-controlled major concert venues  
9 (to the extent that is possible, which, for tours in the United States, it is not). Indeed,  
10 Mr. Rapino has admitted that artists today make "about 95%" of their income from live  
11 music events and that Live Nation is now the "largest single financier" of artists  
12 worldwide (more than record companies).

13         79. Live Nation Entertainment holds over 60% of the concert promotion  
14 services market and promotes at least 80% of the top-billing global touring acts, which  
15 tour the United States. Within the last four years, Live Nation Entertainment has used  
16 its market dominance to aid its subsidiary Ticketmaster in its efforts to destroy rivals  
17 (discussed further below).

18                 **ii. Live Nation Entertainment and Ticketmaster's combined**  
19                 **dominance is unique in the live music industry**

20         80. Since they merged in 2010, Defendants have, both individually and as a  
21 conglomerate, acquired unparalleled dominance within the live music industry.  
22 Ticketmaster provides the vast bulk of primary ticketing services in the United States,  
23 just as it has for decades. Whereas, pre-merger, Ticketmaster needed to be cognizant of  
24 promoters and artists taking business away from Ticketmaster's contracted venues, that  
25 concern has now disappeared because the post-merger Live Nation Entertainment  
26 business promotes, manages, and/or hosts concerts for most of the biggest acts that tour  
27 in the United States—*i.e.*, the artists that Ticketmaster and its venue clients most care  
28

1 about. Indeed, as herein alleged, Live Nation Entertainment has directly participated in,  
2 encouraged, aided, and facilitated Ticketmaster's anticompetitive activities.

3 81. Defendants' unique position in the live music industry also creates  
4 numerous entry barriers that protect and extend Ticketmaster's dominance. Live  
5 Nation Entertainment's promotion and artist management businesses, for example,  
6 provide a steady stream of business to Ticketmaster and its venue clients that smaller  
7 ticketing companies cannot overcome. Over a decade ago (*i.e.*, pre-merger), Live  
8 Nation Entertainment began to challenge Ticketmaster's dominance by using its stable  
9 of artists as an inducement to venue operators to select its own primary ticketing  
10 services over Ticketmaster's. Without that constraint in the market—and with Live  
11 Nation Entertainment's now decade-long, perfect alignment with the company against  
12 which it previously sought to compete—Ticketmaster has only grown its market share  
13 and ability to set prices without fear of serious competition from any new entrant.  
14 Ticketmaster notably admits it is renewing over 100% of its long-term exclusive  
15 dealing contracts each year, which necessarily occurs at the expense of rivals.  
16 Ticketmaster has also, within the past four years, sought to extend this monopoly power  
17 to secondary ticketing services.

18 82. In addition to barriers to entry based on the current market structure and  
19 conditions (including Defendants' corporate structure), Defendants' anticompetitive  
20 practices, discussed herein, including but not limited to tying agreements, long-term  
21 exclusive dealing contracts, vertically-arranged boycotts of various third parties against  
22 Ticketmaster's competitors, and coercion of and threats against disloyal customers and  
23 others, also act as a barrier to entry.

24 **E. Relevant Geographic Market**

25 83. The United States is the relevant geographic scope of both ticketing  
26 service markets. Concert venue operators purchase primary ticketing services from  
27 their locations within the United States and look to United States-based service  
28 providers to provide the primary ticketing services for their shows. Similarly,

1 secondary ticketing service providers provide platforms connecting purchasers  
2 throughout the United States. Furthermore, only ticketing service providers with one or  
3 more locations in the United States compete with each other for customers requiring  
4 ticketing services at concert venues in the United States or for United States-based  
5 concert tours.

6 84. The geographic scope of the market for concert promotion services for  
7 major concert venues is the United States. Artists look to concert promotion service  
8 providers that operate within the United States in order to put on any leg of a concert  
9 tour stopping at a major concert venue in the United States. Live Nation Entertainment  
10 and AEG Live have promotion networks established throughout the country and are  
11 considered viable alternatives to promoters with a more regional focus. Accordingly,  
12 even if an artist is focused on conducting a concert tour in only a limited region of the  
13 United States, the alternatives from which they can choose for concert promotions  
14 services for major concert venues are national.

15 85. In the alternative, the relevant geographic markets of concert promotion  
16 services for major concert venues are the sub-national regions in which artists require,  
17 purchase, and look for promoters to provide promotion services for one or more legs of  
18 a concert tour. Although Plaintiffs have not yet had the discovery needed to finally  
19 define these regions, on information and belief, they include at least the following  
20 regions:

- 21 Pacific Northwest
- 22 Northern California
- 23 Southern California
- 24 Intermountain West
- 25 Southwest
- 26 Upper Midwest
- 27 Lower Midwest
- 28 Texas
- Ohio Valley
- New England
- Tri-State
- Pennsylvania
- D.C. Metropolitan

1 South  
2 Southeast

3 **Defendants' Anticompetitive Practices Harm Competition in the Market for**  
4 **Primary Ticketing Services for Major Concert Venues**

5 86. Ticketmaster's original steps were as follows. First, it shifted who paid the  
6 fees for a primary ticketing service provider's services. Before Ticketmaster, venues  
7 typically paid such fees. Since Ticketmaster, fans have paid those fees. Second,  
8 Ticketmaster began paying venues large up-front fees to secure rights to service their  
9 primary ticketing, payments that Ticketmaster earned back (in multiples) over the life  
10 of its contract. These twin steps fundamentally altered the market for primary ticketing  
11 services, because they created an economic misalignment between the venues and their  
12 fans. Provided as they were with large up-front sums and drastically-reduced costs for  
13 ticketing services, venues were far more willing to enter primary ticketing service  
14 contracts—particularly long-term exclusive deals—with Ticketmaster, because they  
15 made more money and were not punished by their fans as a result. Indeed, one reason  
16 Ticketmaster is today among the most disliked companies in the country is because, on  
17 information and belief, it willingly took on the role of the “bad guy” in fans' minds:  
18 Ticketmaster, not the venue, made them pay ever-higher ticketing fees.

19 87. Because of the sea change it fomented when it first came to prominence in  
20 the late 1970s and early 1980s (particularly after it helped introduce electronic ticketing  
21 in 1982), Ticketmaster was able to quickly snap up a web of long-term exclusive  
22 dealing contracts with venues throughout the country. Ticketmaster's share of primary  
23 ticketing services for major concert venues continued to grow and grow, and it soon  
24 became dominant in that market. It has held that position of dominance ever since,  
25 despite multiple attempts by other primary ticketing services to take away market share  
26 and power.

27 88. One of the problems that Ticketmaster's business practices—*i.e.*, up-front  
28 payments, plus kickbacks of a portion of fan-paid ticketing services fees, in exchange

1 for long-term exclusive dealing contracts—is that they reduced competition between  
2 venues and incentivized those venues to enter into contracts with Ticketmaster to the  
3 detriment of live music fans, *even though* competing venues had already entered  
4 contracts with Ticketmaster. The reason for this is straightforward. Venues compete  
5 with each other to attract artists, because artists pay to rent the venue and bring fans to  
6 the venue, where they spend money on tickets, concessions, parking, etc. Typically,  
7 venues would compete on price in order to make themselves more attractive to artists,  
8 such as by, among other things, offering lower ticketing fees for the artist’s fans. By  
9 joining the Ticketmaster network of venues, however, the venue puts itself in the same  
10 category as its competitors and need not compete on price for ticketing fees, because its  
11 largest competitors (other comparable venues in the same region) are also part of  
12 Ticketmaster’s network. Thus, Ticketmaster’s web of long-term exclusive dealing  
13 contracts is largely self-reinforcing; major concert venues are coopted by its dominance  
14 and able to make the less consumer-friendly choice because they are sharing in  
15 Ticketmaster’s monopoly profits (especially since Ticketmaster began allowing venues  
16 to help set ticketing fees for their shows).

17 89. For this reason, Ticketmaster’s claim that a portion of Ticketmaster’s  
18 contracts come up for bid each year has little to no effect on its continued dominance in  
19 the primary ticketing services market, nor the anticompetitive harm consumers suffer  
20 from Ticketmaster’s exclusive dealing practices. All up-front bidding (*i.e.*, bidding  
21 between primary ticketing services providers) does in that scenario is transfer more of  
22 the profits from the eventual ticket sales to the venue; the bidding does not change the  
23 nature of the venues’ incentives to join the Ticketmaster network, and does not create  
24 the serious risk that Ticketmaster will lose any real share of the market. After all, the  
25 only way a competing primary ticketing service provider could take any substantial  
26 market share away from Ticketmaster would be to be aware of every single instance in  
27 which venues throughout the nation put a contract up for bid, convince those venues to  
28 leave the Ticketmaster network, pay huge up-front fees to convince the venues to do so,



1 charge similarly-monopolistic ticketing fees as Ticketmaster without the market power  
2 to do so, and then repeat this feat thousands upon thousands of times over the next five  
3 years. As Ticketmaster’s over 100% annual renewal rate for exclusive venue deals  
4 demonstrates, this is simply not competitively possible.

5 90. Beyond the general self-reinforcing nature of Ticketmaster’s exclusive  
6 dealing practices in primary ticketing services (*i.e.*, the carrot offered by its monopoly  
7 power), any venue contemplating a contract with Ticketmaster must also keep in mind  
8 that Ticketmaster is part of the broader Live Nation Entertainment empire (*i.e.*, it wields  
9 a very large stick to maintain that monopoly power). Based on what the public now  
10 knows, for the first time, were regular, behind-the-scenes statements from Live Nation  
11 Entertainment’s highest executives, as well as the merged companies’ general business  
12 practices, “venues throughout the United States have come to expect that refusing to  
13 contract with Ticketmaster will result in the venue receiving fewer Live Nation concerts  
14 or none at all.” This fear is real and coercive, and it protects Ticketmaster’s primary  
15 ticketing services dominance, despite that venues ostensibly put up their contracts for  
16 bid, because “[g]iven the paramount importance of live event revenues to a venue’s  
17 bottom line, this is a loss most venues can ill-afford to risk.” Thus, for those venues  
18 that step out of line, Defendants have the ability to threaten and punish—and have  
19 actually punished—venues with a loss of future revenues via lost Live Nation  
20 Entertainment concerts.

21 91. The evidence of this rampant intimidation and anticompetitive coercion  
22 only recently came to light. On August 27, 2019, Senators Richard Blumenthal and  
23 Amy Klobuchar sent a letter to the head of the Department of Justice’s Antitrust  
24 Division regarding significant concerns they had related to the ticketing industry; in  
25 particular, with Defendants. Among other things, Senators Blumenthal and Klobuchar  
26 noted that the DOJ’s 2010 consent decree for the Live Nation Entertainment-  
27 Ticketmaster merger “imposed behavioral conditions to prevent Ticketmaster from  
28 using its dominance to stifle new competitors,” including “prohibit[ing Defendants]

1 from withholding concerts that Live Nation promotes or concerts by artists that Live  
2 Nation manages from venues that use a competitor’s ticket platform.” The Senators  
3 observed that, at the time of the merger, “many experts were skeptical that the merger  
4 conditions were sufficient to create a competitive market,” and, importantly for this  
5 Complaint, recent evidence indicated that “the skeptics’ fears have proven correct.”  
6 The letter then went on to report that the Senators were “deeply disturbed by reports  
7 that Ticketmaster has violated the behavioral conditions by retaliating against venues  
8 that use a competing ticket platform.”

9       92. Senators Blumenthal’s and Klobuchar’s letter echoed an April 2018  
10 investigative piece from the New York Times that the Department of Justice had begun  
11 investigating numerous complaints from Ticketmaster’s competitors that Live Nation  
12 Entertainment “has used its control over concert tours to pressure venues into  
13 contracting with its subsidiary, Ticketmaster.” AEG, the second-largest primary  
14 ticketing services provider in the United States, “told the [DOJ] officials that venues it  
15 manages that serve Atlanta; Las Vegas; Minneapolis; Salt Lake City; Louisville, Ky.;  
16 and Oakland, Calif., were told they would lose valuable shows if Ticketmaster was not  
17 used as a vendor.” AEG backed up these complaints with emails from the venues,  
18 including one in which a booking director asked Live Nation Entertainment to address  
19 any issues regarding booking, to which the Live Nation representative replied, “Issue?  
20 ... Three letters. Can you guess what they are?” The following year, Live Nation  
21 Entertainment then halved the number of Live Nation-promoted tours that stopped at  
22 that venue. AEG reportedly provided the Department of Justice with numerous other  
23 examples.

24       93. In late September 2019, the head of the Department of Justice’s Antitrust  
25 Division confirmed to the Senate Antitrust Subcommittee that the Department was  
26 currently “examining allegations of violations” of the consent decree, although he did  
27 not elaborate regarding specifics at that time. Next, on December 13, 2019, the *Wall*  
28 *Street Journal* reported that “[t]he Justice Department is preparing to take legal action

1 against Live Nation Entertainment Inc. on allegations the company has sought to  
2 strong-arm concert venues into using its Ticketmaster subsidiary.” As reported, “[t]he  
3 department believes the concert-promotion giant’s conduct has violated the merger  
4 settlement Live Nation and the dominant ticket seller reached with the government in  
5 2010.” Then, on December 19, 2019, the DOJ itself issued a press release stating that  
6 “[d]espite the prohibitions in the Final Judgment, Live Nation repeatedly and over the  
7 course of several years engaged in conduct that, in the Department’s view, violated the  
8 Final Judgment.” DOJ accordingly moved for an amendment to the consent decree that  
9 extended the decree for five and a half years and clarified several acts that directly  
10 violate its terms. As part of the deal resolving this enforcement action, Defendants also  
11 agreed to an independent monitor and that any violation warranted an automatic  
12 \$1,000,000 per violation fine.

13 94. In the DOJ’s motion to amend Defendants’ 2010 consent decree, it  
14 included several examples of Defendants’ wrongful, anticompetitive conduct. These  
15 examples include:

16 (a) In early 2012, the President of Live Nation Arenas threatened on  
17 multiple occasions to divert Live Nation concerts away from a venue if it did not select  
18 Ticketmaster as its primary ticketer. After that venue did not select Ticketmaster, two  
19 Live Nation executives—the President of Live Nation Arenas and the local Live Nation  
20 President in charge of placing concerts in the region—repeatedly threatened that the  
21 venue would not get Live Nation shows unless it switched to Ticketmaster. When the  
22 venue refused to switch to Ticketmaster despite these threats, Live Nation followed  
23 through on its threats and retaliated against the venue by reducing the number of  
24 concerts played there. Between 2011 and 2015, Live Nation shows playing at the  
25 venue dropped by an average of almost fifty percent.

26 (b) In another instance, an arena venue switched from Ticketmaster to a  
27 competing ticketing service provider. Immediately after learning that the venue had  
28 switched ticketing service provider, Ticketmaster’s President contacted the local Live

1 Nation President responsible for placing concerts in the region to suggest that Live  
2 Nation book more shows at the venue's nearby rival venue. In the two years following  
3 the venue's move to a Ticketmaster competitor for primary ticketing, Live Nation  
4 significantly reduced the number of shows promoted at the venue in retaliation.

5 (c) In 2017, Live Nation threatened to withhold concerts from a venue  
6 if that venue did not contract with Ticketmaster, and then refused to book concerts at  
7 Venue A for a year in retaliation for its selection of a competing ticketer. In that  
8 instance, the venue had issued a request for proposal ("RFP") only for ticketing services  
9 and not for live content. Nevertheless, when Ticketmaster met with the venue's  
10 ticketing committee, a Live Nation promoter responsible for deciding where in the  
11 region to place Live Nation concerts also attended the meeting. At the meeting, the  
12 Live Nation promoter explicitly threatened to withhold concerts from the venue if it did  
13 not select Ticketmaster. A few weeks later, when the venue informed the Live Nation  
14 promoter that it planned to select a competing ticketer that had offered better financial  
15 terms, the promoter responded that the competitor's offer would not be better than  
16 Ticketmaster's if the venue did not receive as many Live Nation shows. The Live  
17 Nation promoter went on to specify that Live Nation would not book shows at the  
18 venue unless it had no other options in the market. Before the venue's decision not to  
19 contract with Ticketmaster, Live Nation estimated that for the next several years it  
20 would book three to four shows per year at the venue. But in the year following the  
21 venue's switch to Ticketmaster's competitor, Live Nation promoted zero shows at the  
22 venue. As described to the DOJ, that venue understood that Live Nation's decision to  
23 book zero shows at the venue was retaliation for not selecting Ticketmaster as its  
24 primary ticketer.

25 (d) Also in 2017, another venue evaluated offers for primary ticketing  
26 services from Ticketmaster and several competitors. When the venue informed Live  
27 Nation that it was planning to choose Ticketmaster's competitor, Ticketmaster's Vice  
28 President for Client Development threatened to withhold all Live Nation concerts from

1 the venue if it did not renew its contract with Ticketmaster. The Ticketmaster VP told  
2 the venue that “if you move in that direction, you won’t see any Live Nation shows.”  
3 Ticketmaster’s Executive Vice President and Co-Head of Sports for NBA and NHL  
4 Arenas made a similar threat to the venue, telling it that Live Nation’s CEO would  
5 never put one of his shows on sale through that particular Ticketmaster competitor.  
6 Despite Defendants’ threats, the venue initially selected a Ticketmaster competitor as  
7 its primary ticketing provider. Before that ticketing decision, Live Nation and the  
8 venue discussed potential bookings approximately once per week. But when the venue  
9 opted to go with Ticketmaster’s competitor, Live Nation stopped contacting the arena  
10 about any possible concerts or booking shows at the venue. For unrelated reasons, one  
11 month later, the venue agreed to contract with Ticketmaster. Immediately thereafter,  
12 Live Nation began to get “geared back up” to bring concerts to the venue, because the  
13 venue was “back in the family.”

14 (e) In September 2018, a different venue began evaluating primary  
15 ticketing providers in advance of the expiration of its Ticketmaster contract. When the  
16 venue told Ticketmaster that it was considering other primary ticketers, Ticketmaster’s  
17 executive in charge of Sports for NBA and NHL Arenas told the venue that if it chose  
18 another primary ticketer, its Live Nation concert volume would be put at risk because  
19 Live Nation concerts would either skip the market altogether or play at another venue.  
20 Later, that senior executive reiterated his threat that if the venue went with another  
21 primary ticketing provider, Live Nation would pull concerts from the venue and reduce  
22 the volume of shows held there. Despite receiving a competitive bid from a  
23 Ticketmaster competitor, the venue determined that the risk of contracting with a  
24 ticketing service provider other than Ticketmaster was too great. The venue renewed  
25 its contract with Ticketmaster for primary ticketing services.

26 (f) In yet another instance, Defendants threatened to blacklist a certain  
27 venue from all future Live Nation shows after the venue decided to contract with  
28 Ticketmaster’s competitor for primary ticketing services. According to the venue’s

1 executive, Ticketmaster’s President warned the executive that if the venue went with a  
2 competing ticketing service provider, Ticketmaster’s response “would be ‘nuclear’” and  
3 “though he would deny it if I repeated it, Live Nation would never do a show in our  
4 building, that they would find other places for their content . . . .” Following a  
5 conversation with Ticketmaster’s President, a second executive from the venue reported  
6 that Ticketmaster and Live Nation “will not do any business whatsoever with our  
7 stadium” and that Ticketmaster was “drawing a line in the sand and picking this as their  
8 ‘hill to die on.’” The venue executive went on to state his understanding that the venue  
9 was “now on ‘the black list.’”

10       95. On information and belief, the above examples are not isolated instances  
11 and instead reflect a widespread practice directed, encouraged, and mandated from and  
12 also actively participated in and conducted by Live Nation Entertainment’s highest  
13 executives on down. For this conclusion, one need not simply rely on the facts as  
14 reported by the DOJ. Instead, one can look to the company’s own admissions. As  
15 previously noted, Mr. Rapino, Live Nation Entertainment’s CEO and President,  
16 publicly stated in September 2019—on information and belief, for the first time  
17 publicly—that Live Nation Entertainment’s concert promotion segment considers  
18 whether a venue selected Ticketmaster as its primary ticketing service provider. If the  
19 venue did not, Mr. Rapino stated, then it “won’t be the best economic place anymore”  
20 for Live Nation-promoted tours “because we don’t hold the revenue.” In these public  
21 comments, Mr. Rapino claimed that this was not a “threat” to venues; however, his  
22 description of how Defendants regularly practice their business was clearly one that, as  
23 the DOJ’s recent report makes clear, anyone in the live music industry was able to  
24 understand. Implicit threats are still threats, and Live Nation Entertainment did not  
25 confine itself to implicit threats; it made explicit threats and backed up those threats  
26 with reduced Live Nation concerts at disobedient venues.

27       96. Regardless of any effects the DOJ’s recent enforcement action and  
28 extension to the consent decree *may* have on future competition in ticketing (which

1 unfortunately remains to be seen), the damage has already been done and Defendants  
2 have, through their anticompetitive conduct, extended and maintained Ticketmaster's  
3 monopoly power for years. That conduct damaged Plaintiffs and the putative classes  
4 through, *inter alia*, supracompetitive fees Ticketmaster has been able to charge on all  
5 ticket purchases through its platforms since the two companies merged.

6 **Defendants Are Now Attempting to Monopolize (and Succeeding in**  
7 **Monopolizing) Secondary Ticketing Services for Major Concert Venues**

8 97. The rise of the internet ultimately helped create, for the first time, a truly  
9 viable and robust secondary market for concert tickets in the U.S. This is because the  
10 internet's ability to connect individuals from all walks of life allowed secondary  
11 ticketing service providers to create platforms where secondary ticket sellers and  
12 purchasers could more easily congregate and consummate secondary ticket sales.  
13 Whereas, pre-internet, a secondary ticket purchaser needed to affirmatively seek out  
14 ticket brokers or find scalpers near the entrance of a show, now they could locate  
15 secondary tickets with just the click of a button. Similarly, ticket resellers suddenly had  
16 a far broader reach via an easy-to-access electronic platform that dramatically lowered  
17 the transaction costs for ticket resales. These mutual conveniences allowed the market  
18 to flourish, which created substantial benefits for ticket resellers and purchasers.

19 98. The proliferation of the secondary market for concert tickets, however,  
20 was not without negative effects. Because a ticket reseller may charge more for  
21 secondary tickets than their face value, opportunistic individuals and companies built  
22 business models around buying up large amounts of primary tickets at the beginning of  
23 a general sale and then selling those tickets at a markup on the secondary market. They  
24 could do so because they and other similar opportunists locked up the supply of the  
25 tickets for a show, thereby driving up prices for fans that wanted to attend the concert.  
26 These resellers (often, ticket brokers, but also just as often run-of-the-mill scalpers)  
27 developed a number of different techniques to quickly purchase primary tickets,  
28 including operating multiple accounts simultaneously, employing small armies of ticket

1 purchasers at the beginning of general sales, and by using “bots,” programs that  
2 automatically purchase tickets far faster than a human could.

3 99. Many states have enacted laws ensuring that ticket purchasers may resell  
4 their tickets, and secondary ticket sale platforms exist today because there is substantial  
5 demand for secondary ticketing services. Until Defendants’ actions described herein,  
6 there was robust competition between secondary ticketing services providers, which  
7 benefited consumers to the extent they needed or wanted to purchase secondary tickets.

8 100. As the dominant primary ticketing service provider for major concert  
9 venues in the U.S., Ticketmaster hugely benefited from the growth of secondary  
10 concert ticket sales. The largest concerts in the U.S., which are typically held at major  
11 concert venues, are also typically the most popular. Given that demand is extremely  
12 high for these shows, ticket brokers and scalpers are incentivized to quickly purchase as  
13 many primary tickets as they can; the rest are then purchased by real fans. All of this  
14 frenzied purchasing during the general sale benefits the primary ticketing service  
15 provider (typically, Ticketmaster) because, as discussed above, it generates revenues by  
16 levying fees on primary ticket sales. A robust secondary ticket market is thus a benefit  
17 to primary ticketing service providers, because it maximizes primary ticket sales.

18 101. Over the years, Ticketmaster has tread a narrow line by publicly decrying  
19 ticket broker practices while privately encouraging them. Defendants began a  
20 concerted effort to grow their secondary ticketing services in addition to their dominant  
21 primary ticketing service, so that Ticketmaster could make money off the initial  
22 purchase *and* resales of the very same concert tickets. This was a mandate from Mr.  
23 Rapino on down.

24 102. Ticketmaster first entered the secondary ticketing services market by  
25 acquiring preexisting secondary ticketing service providers. It then kept the platforms  
26 separate from its primary ticket site for several years. More recently, however,  
27 Defendants integrated those secondary ticketing service providers into Ticketmaster’s  
28 broader online platform, such that consumers can now purchase primary *or* secondary



1 tickets off of Ticketmaster.com or the Ticketmaster mobile app, and may not even  
2 know if they are purchasing a primary or secondary ticket at the time of sale.

3 103. Given the PR problems from publicly embracing ticket brokers and other  
4 entities whose business is purchasing and reselling tickets at a markup, Defendants  
5 have claimed over the years that they are taking efforts to stifle broker behavior. One  
6 of the primary ways Defendants do so is through the “conditional license” Ticketmaster  
7 grants to users of its website and/or mobile app. The conditional license allows users to  
8 view Ticketmaster’s site and access its contents only if they agree to a bevy of  
9 restrictions that prevent brokers from purchasing tickets from Ticketmaster and then  
10 reselling them on rival secondary ticketing platforms. As one example, the conditional  
11 license prevents users from refreshing Ticketmaster’s ticketing pages “more than once  
12 during any three second interval.” The conditional license also restricts the use of  
13 “ticket bot technology,” which makes it more difficult for brokers to engage in bulk  
14 purchases of tickets. The conditional license contains many similar terms as well, and  
15 Ticketmaster claims elsewhere that it will put brokers to the back of the electronic line  
16 if it spots them in the queue.

17 104. Defendants claim this conditional license is pro-consumer, but the truth is  
18 that it is simply one more tool Defendants use to effectuate their broader  
19 anticompetitive scheme. As publicly reported earlier in 2019, Ticketmaster, with Live  
20 Nation Entertainment’s direction and support, regularly sets aside primary tickets for  
21 ticket brokers, so those brokers can purchase and then resell those tickets. Defendants  
22 accomplish this goal through “ticket banks” that are ostensibly for presale tickets and  
23 ticket “holds” (*i.e.*, allotments of the total tickets “held” aside from the general sale for  
24 industry insiders, such as artists, agents, venues, promoters, marketing departments,  
25 record labels, and sponsors). The ticket banks have neutral names so as not to trigger  
26 fan suspicion, but the ticket banks (and the tickets placed into them) are really for the  
27 brokers. In this way, Ticketmaster is able to bolster its relationship with ticket brokers  
28 and maximize primary ticket sales while also growing its secondary ticketing service

1 business. As a recent investigation by the New York Attorney General revealed, tickets  
2 set aside for holds and presales can often exceed 50% of the total tickets for a concert  
3 105. Ticketmaster's conditional license plays into this scheme by acting as the  
4 sword Ticketmaster wields against ticket brokers if they do not agree to its  
5 anticompetitive demands. Put simply, Ticketmaster will allocate primary tickets for a  
6 broker to a ticket bank *if* that broker agrees it will resell its tickets through  
7 Ticketmaster's secondary ticket platform. If the broker does not agree, then  
8 Ticketmaster will use the conditional license to try to keep the broker off its platform.  
9 It is able to do so with impunity because of the power Ticketmaster holds over the  
10 supply of primary tickets at major concert venues, and because Live Nation  
11 Entertainment, as the dominant concert promoter in the nation, controls the vast bulk of  
12 major concert tours. Faced with this potent combination, ticket brokers seeking to  
13 resell major concert venue seats have no other choice but to use Ticketmaster's  
14 secondary ticketing services, even though Ticketmaster is not as attractive a platform  
15 for secondary sellers as Ticketmaster's competitors. On information and belief,  
16 examples of brokers that have agreed to this setup include DTI, Dynasty, and  
17 Eventellect.

18 106. Another tactic Ticketmaster employs to dominate secondary ticketing  
19 services for major concert venues is to limit primary purchasers' ability to transfer their  
20 tickets through any means other than Ticketmaster's secondary ticketing platform.  
21 Defendants do so most prominently through a combination of mobile ticket and  
22 Ticketmaster's branded "SafeTix" technology, although Defendants regularly attempt  
23 to limit ticket transferability through other means as well. The overall goal of these  
24 efforts is to prevent primary ticket purchasers from using competing secondary  
25 ticketing service platforms, to competitors' detriment and Defendants' benefit. This  
26 part of Defendants' scheme relies on utilizing their dominance over primary ticketing  
27 services, their control over most major concert tours in the U.S., and their ability to  
28 employ technological trickery for anticompetitive purposes.

1           107. Due to the rise of smartphone usage, many primary ticketing service  
2 providers (including, of course, Defendants) have developed electronic ticket  
3 technology.<sup>11</sup> Primary purchasers receive an email with a link to their mobile ticket, or  
4 receive the ticket directly on a smartphone application the primary ticketing service  
5 provider creates and provides. That mobile ticket usually includes a QR or other type  
6 of electronic code that attendants at an event scan to permit the purchaser to enter.

7           108. Historically, primary ticket purchasers have been able to transfer electronic  
8 tickets easily. Either as the result of a resale or simply in order to provide the ticket to a  
9 friend or family member, primary purchasers could send their ticket electronically and  
10 without cost. As relevant to secondary ticketing services, a ticket reseller could either  
11 upload their electronic ticket to the secondary ticketing platform of their choice, or send  
12 it directly to a secondary purchaser after the completion of the resale. Which option  
13 they utilized depended on the secondary ticketing platform's procedures or, in some  
14 instances, the ticket reseller's personal preference.

15           109. Recently, however, Defendants have taken steps to prevent primary ticket  
16 purchasers for events at major concert venues (the vast majority of which, due to  
17 Defendants' dominance of primary ticketing services for major concert venues,  
18 purchase tickets through Ticketmaster) from transferring their tickets, except through  
19 Ticketmaster's secondary ticketing platform. Defendants do so by utilizing  
20 technological limits built into their primary ticketing platform that they and artists using  
21 their concert promotion services can place on primary tickets sold at major concert  
22 venues. Ticketmaster has applied various names to these technological limits over the  
23 years, including mobile tickets, Verified Fan tickets, and, more recently, SafeTix.  
24 SafeTix, in particular, demonstrates the insidious competition problems Defendants'  
25 transfer restrictions create (particularly in combination with its other technologies).

26 \_\_\_\_\_  
27 <sup>11</sup> In fact, many different industries now utilize electronic tickets. One particularly  
28 notable example is the airline industry, which now offers passengers mobile tickets they  
can present on their smartphones.

1           110. Defendants ostensibly advertise SafeTix as “encrypted mobile tickets built  
2 with leading-edge technology” that “come standard with powerful fraud and counterfeit  
3 protection.” They “are powered by a new and unique barcode that automatically  
4 refreshes every few seconds so it cannot be stolen or copied, keeping your tickets safe  
5 and secure.” The tickets are only available on Ticketmaster’s smartphone application.  
6 A SafeTix ticket holder supposedly can transfer some or all of their tickets to someone  
7 else “[i]n just a few taps” of their smartphone. The technology also “ma[kes] it a snap  
8 to sell your tickets on the world’s largest marketplace [*i.e.*, Ticketmaster’s secondary  
9 ticketing platform] in a few taps.”

10           111. Similar to the conditional license, however, Defendants use SafeTix (and  
11 its functional predecessors) for anticompetitive, rather than procompetitive, purposes.  
12 Primary ticket purchasers typically purchaser their tickets with the understanding that  
13 they can resell their tickets wherever and however they want. Using typical practices,  
14 they can transfer their tickets electronically after selling through a different secondary  
15 ticketing platform. But SafeTix primary purchasers often find only after the fact that  
16 they cannot transfer their tickets in this manner. As Defendants themselves admit, the  
17 only way to know if one can transfer their tickets is if they “look for the ‘Transfer  
18 Tickets’ button on your order [*i.e.*, after the purchase]. If transfer is not available, the  
19 button will not be there.” As public reports demonstrate, in some instances, primary  
20 purchasers had no advance notice of this limitation on their transferability.<sup>12</sup> In other  
21 instances, primary purchasers did receive advance notice of non-transferability, but they  
22 were conveniently only allowed to resell their tickets through Ticketmaster’s secondary  
23 ticketing platform.<sup>13</sup>

24  
25 <sup>12</sup> See, e.g., Sarah Pittman, *The Black Keys’ Wiltern Snafu Thrusts SafeTix Into*  
26 *Spotlight*, Pollstar (Sept. 26, 2019), <https://www.pollstar.com/News/the-black-keys-wiltern-snafu-thrusts-safetix-into-spotlight-141163>.

27 <sup>13</sup> See, e.g., *Pearl Jam Deploys TicketMaster’s SafeTix Tech*, Ticketing Business  
28 News (Jan. 17, 2020), <https://community.pearljam.com/discussion/283246/pearl-jam-deploys-ticketmaster-s-safetix-tech>.

1           112. Competing secondary ticketing service providers, as well as a competitive  
2 secondary ticketing marketplace, require a free-flowing supply of primary tickets.  
3 Without a supply of primary tickets to list on their platforms, such secondary ticketing  
4 service providers simply cannot compete. Furthermore, competing secondary ticketing  
5 service providers have no ability to circumvent the technological limits Defendants  
6 have increasingly placed on primary ticket transferability.

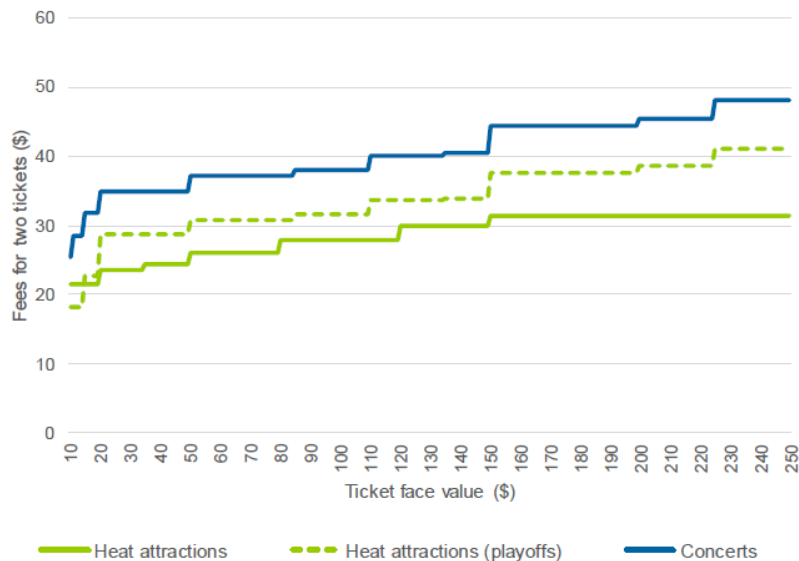
7           113. Defendants' use of the conditional license to force secondary resellers to  
8 use Ticketmaster's platform, as well as their limitations on primary ticket  
9 transferability, have had anticompetitive effects for both primary and secondary  
10 ticketing services. Among other effects, one effect is to grow Ticketmaster's secondary  
11 ticketing service business at the expense of its rivals (which provide the competing  
12 secondary ticket platforms on which brokers can opt to sell their purchased tickets).  
13 Another effect is to dramatically increase Ticketmaster's revenues by allowing it to  
14 levy fees on the second (and third, etc.) sale of the same ticket(s) it sold in the primary  
15 sale. Ticketmaster has steadily grown its secondary ticketing service business for years  
16 and today processes well over a billion dollars annually of secondary concert ticket  
17 sales at major concert venues. This growth has come at the expense of Ticketmaster's  
18 secondary ticketing service provider competitors, who have no ability to compete with  
19 Ticketmaster on the merits (although they struggle to do so). It also has come at the  
20 expense of consumers because, despite the fact that Ticketmaster's secondary ticketing  
21 service competitors for major concert venues charge consumers lower fees, Defendants  
22 have steadily grown Ticketmaster's secondary ticketing market share through the  
23 practices described herein, leading to ever more supracompetitive secondary ticketing  
24 fees for both primary and secondary ticketing services at major concert venues. That is  
25 a third effect of Defendants' conduct. This is discussed in further detail in the  
26 following Section, pages 52-57.

27  
28

**Defendants’ Acts Have Had Far-Reaching Anticompetitive Effects That Damaged Plaintiffs in Direct and Quantifiable Ways**

114. As a result of Defendants’ anticompetitive conduct, Plaintiffs have paid anticompetitively-high fees on primary ticket purchases for years. Ticketmaster has reduced competition for such services through the anticompetitive conduct described above and therefore largely immunized itself from price competition on its ticketing fees. Thus, consumers who would otherwise be able to obtain primary tickets at lower overall cost must pay supracompetitive prices to obtain tickets from Ticketmaster, or else not be able to obtain tickets at all in the primary market.

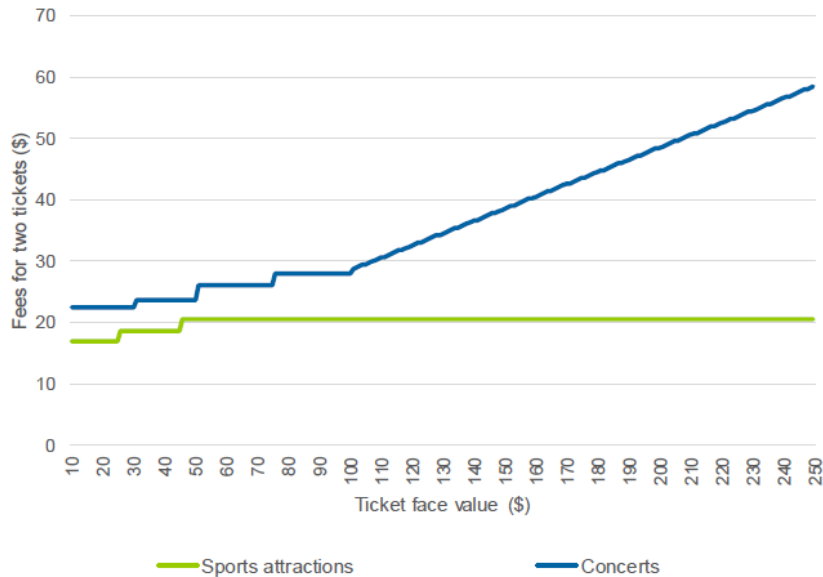
115. For example, some major concert venues are also sport venues. There are instances where Ticketmaster is the exclusive primary ticketing service provider for the live music events at a major concert venue, but is not the exclusive primary ticketing service provider for the sports events at the venue. As of late 2017, one such venue was the American Airlines Arena, in Miami. The following chart compares the ticketing fees for the live music events for which Ticketmaster was the exclusive primary ticketing service provider against the sports events for which it was not. As is clear, the fees on live music events were markedly higher:



Source: Ticketmaster, "Licensed User Agreement," Oct. 28, 2014, 8–10 (TM00000362 at -369–371, -373).

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116. A similar pattern emerges at Philips Arena, Atlanta, which has a similar separation between Ticketmaster's exclusivity over primary ticketing for live music events, and its lack of exclusivity over sporting events:



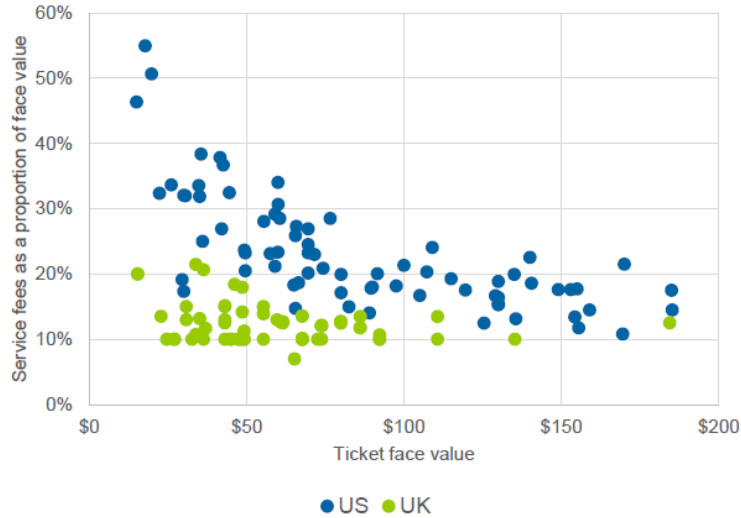
Source: Ticketmaster, "Licensed User Agreement," Jul. 11, 2011, 50 (TM00000243 at -289-291).

16 These examples are indicative of the broader harm Plaintiffs (live music fans) suffered  
17 at Defendants' hand—systematic, anticompetitively-high ticketing fees that began long  
18 before the class period.

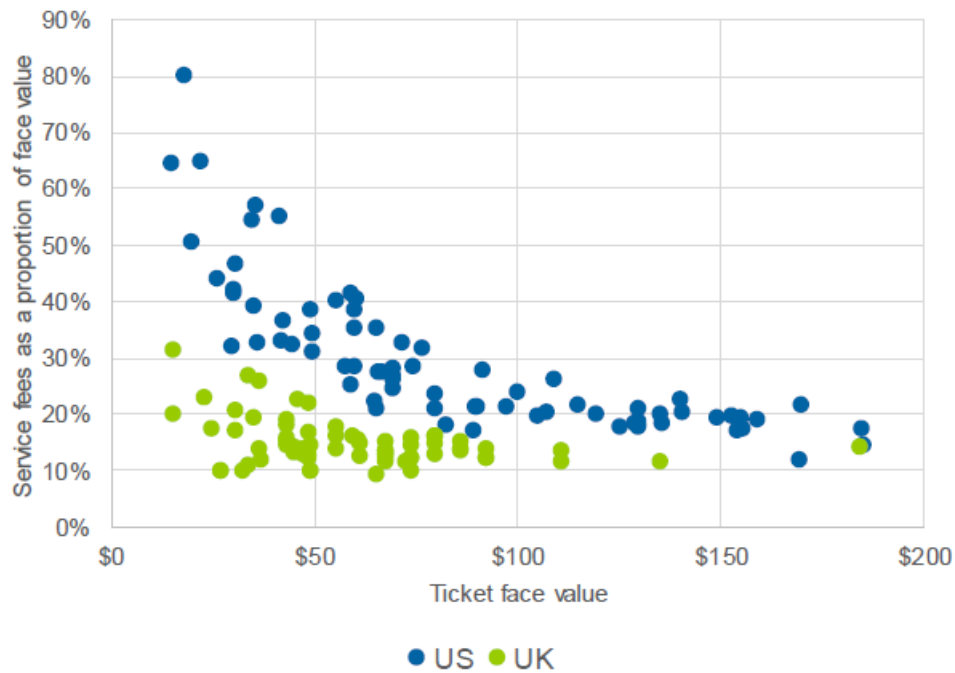
19 117. But one need not only look to the United States for proof that  
20 Ticketmaster's exclusive dealing in primary ticketing services for major concert venues  
21 has anticompetitively raised fees for primary ticket purchasers. The United Kingdom is  
22 an example of a geographic market in which no one provider has extensive exclusive  
23 deals for primary ticketing services. In that country, it is very rare for a single provider  
24 to conduct all primary ticketing services at a venue; instead, the venue typically selects  
25 a provider for a portion of primary ticketing sales, and then others involved with the  
26 show (*e.g.*, the promoter, artist, etc.) each may select their own primary ticketing  
27 service provider(s) for a portion of the tickets. Ticketing service providers therefore  
28 compete with each other, including by offering lower fees for fans. As the data show,

1 ticketing fees in the U.S. (under Ticketmaster’s exclusive dealing dominance) are  
 2 invariably higher than the fees for tickets with the same face value in the U.K.):

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Note: Fees calculated on the basis of a purchase of two tickets at the given face value. Y-axis represents (service fee) / (total combined face value). Ticket face value is given in USD. UK ticket prices converted to USD at the exchange rate available at the time of data collection.



Note: Fees calculated on the basis of a purchase of two tickets at the given face value. Y-axis represents (total fees) / (total combined face value). Ticket face value is given in USD. UK ticket prices converted to USD at the exchange rate available at the time of data collection.



1  
2 118. As noted herein, however, Defendants' scheme does not just harm  
3 competition in primary ticketing services for major concert venues; they have also  
4 harmed (and continue to attempt to harm) competition in the secondary ticketing  
5 services market. For those consumers in the Secondary Ticketing Services Consumer  
6 Class (defined below), they are harmed by having to pay inflated secondary ticketing  
7 fees when purchasing from Ticketmaster rather than competitors. The fees  
8 Ticketmaster charges secondary ticket purchasers are, on average, significantly higher  
9 than its competitors' secondary ticketing fees. This fact is important because, all else  
10 being equal, secondary ticket resellers would ordinarily be incentivized to resell tickets  
11 wherever consumers would incur the lowest fees, because that increases demand for  
12 ticket resales given that the platform in question is less expensive for purchasers. In  
13 other words, if seller fees are either the same or roughly equivalent, then secondary  
14 ticket platforms that are cheaper for purchasers are better for the resellers.

15 119. These economic incentives are important because Ticketmaster's  
16 secondary ticket reseller fees are either the same or *higher* than competitors' fees,  
17 making the secondary ticket transaction either neutral or *worse* for resellers if they use  
18 Ticketmaster's platforms as opposed to its competitors' platforms. Given this fact, the  
19 focus then moves to purchasers. Ticketmaster's competitors all charge *lower* fees to  
20 secondary ticket purchasers than Ticketmaster. The following chart shows this fact;  
21 Ticketmaster's largest secondary ticketing service competitors all charge purchasers  
22 lower fees on each transaction:  
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Secondary Ticker	Buyer Fees <sup>14</sup>
TicketsNow	15%
TicketExchange	15%
StubHub	10%
Vivid Seats	10%
TickPick	0%

Source: Orbis Research Analysis, 2019

Given these comparative fees, a rational ticket reseller, unencumbered by Defendants' anticompetitive scheme, would choose Ticketmaster's competitors, *not* Ticketmaster, if they want to maximize the profits they make from ticket resales. This is because (a) there is no clear benefit in terms of lower fees from choosing Ticketmaster rather than its competitors, and (b) there will be more demand for resale tickets on competitors' platforms, because the tickets sold there are less expensive for consumers. Thus, in a competitive market, one would expect to see Ticketmaster either enjoy no (or very little) secondary ticketing service growth, or that it would lower its fees in order to compete with lower-priced competitors.

120. But that is not what happened. Instead, the evidence shows that Ticketmaster's secondary ticketing services growth exploded since it made that business a priority in the past few years. Ticketmaster did not lower fees in order to achieve this growth, and it did not come at the expense of Ticketmaster's dominant primary ticketing services. Instead, Ticketmaster grew its share (and, on information and belief, dominance) in secondary ticketing services for major concert venues by engaging in the anticompetitive practices alleged herein. Defendants thus steadily gained market share (and continue to do so today) in secondary ticketing services via anticompetitive conduct while maintaining supracompetitive prices charged to secondary ticket purchasers. That is the epitome of anticompetitive effects.

<sup>14</sup> The fees listed in this chart reflect a percentage of the ticket price for the final sale (*e.g.*, TicketsNow charges ticket buyers fees equal to 15% of the ticket price). Ticketmaster's fees are higher than all fees depicted in the chart, and as noted previously, can exceed 30% of the total transaction, when seller fees are also included.

1           121. Defendants’ efforts to obtain market power in the secondary ticketing  
2 services for major concert venues market by surreptitiously feeding primary tickets to  
3 ticket brokers and limiting primary ticket transferability have also had the effect of  
4 anticompetitively raising prices for its primary ticketing service fees. This is because,  
5 *inter alia*, fees levied on primary ticket sales are typically set as a percentage of, or set  
6 fee based on, the face value of the primary ticket. By creating an artificial picture of  
7 demand for primary ticket sales through the anticompetitive conduct alleged herein,  
8 Defendants drive face values of tickets up overall, which leads to anticompetitively-  
9 higher ticketing fees. Similarly, in situations where an artist uses Ticketmaster’s  
10 dynamic ticket pricing services, Defendants’ conduct artificially pushes up dynamic  
11 ticket prices and leads to both higher face values *and* higher fees on primary ticket  
12 purchases. Defendants’ power (and, on information and belief, dominance) over both  
13 primary and secondary ticketing services for major concert venues also permits them to  
14 maximize fees from the former while also growing fees from the latter.

15           122. Again, a comparison to a geographic region in which Ticketmaster does  
16 not have dominance via exclusive deals demonstrates how its business practices  
17 anticompetitively push up ticketing fees. In addition to the empirical evidence  
18 discussed above with respect to lower primary ticketing services fees in the United  
19 Kingdom, similar evidence from the same region shows that freer competition in  
20 secondary ticketing services has a similar downward effect on price. The GAO, in its  
21 recent analysis of secondary ticketing fees in the United States, noted that, while  
22 service fees for U.S. venues the GAO analyzed averaged 22% and could go as high as  
23 38%, “[i]n the United Kingdom, where the venue and promoter typically contract with  
24 multiple ticket sellers, ticket fees are lower than in the United States—around 10  
25 percent to 15 percent of the ticket’s face value, according to a recent study.”<sup>15</sup>

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27

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28 <sup>15</sup> The referenced study is Michael Waterson, *Independent Review of Consumer Protection Measures Concerning Online Secondary Ticketing Facilities*, a report

1 123. The result of Defendants’ efforts, working in concert with venues and  
2 ticket brokers, is the substantial lessening of competition in the relevant markets for  
3 primary and secondary ticketing services for major concert venues, injuring both  
4 competitors and consumers alike.

5 **ACCRUAL OF CLAIM, CONTINUING VIOLATION,**  
6 **EQUITABLE TOLLING, AND FRAUDULENT CONCEALMENT**

7 124. Plaintiffs did not discover and could not have discovered through the  
8 exercise of reasonable diligence the existence of the anticompetitive acts alleged herein  
9 prior to their disclosure in 2019 and 2020.

10 125. Since the start of the class periods, Defendants have committed continuing  
11 violations of the antitrust laws resulting in monetary injury to Plaintiffs and class  
12 members. These violations each constituted injurious acts.

13 126. In addition, Defendants’ violations of the antitrust laws were kept secret  
14 from Plaintiffs and putative Class members. As a result, Plaintiffs and class members  
15 were unaware of Defendants’ unlawful conduct alleged herein and did not know that  
16 they were paying artificially high prices for ticketing fees in the United States  
17 throughout the class periods. Defendants affirmatively and fraudulently concealed their  
18 unlawful conduct by, *inter alia*:

19 (a) Agreeing to the consent decree, which forbade them from tying or  
20 conditioning primary ticketing contracts to access to Live Nation-promoted concerts,  
21 and making a public commitment to abide by its terms as a condition of the Live Nation  
22 Entertainment-Ticketmaster merger;

23 (b) Maintaining in public, ever since the merger, that they were abiding  
24 by the consent decree’s terms and competing on the merits, rather than by threatening  
25 the loss of Live Nation-promoted concerts in order to obtain ticketing contracts.  
26 Examples of such public statements include:

27 \_\_\_\_\_  
28 prepared at the request of the United Kingdom Department for Business, Innovation  
and Skills and Department for Culture, Media and Sport (London: May 2016), 30-31.

1           • Stating in its SEC Form 10-Ks from 2015-2020 that, “Competition in the  
2 live entertainment industry is intense. We believe that we compete primarily on the  
3 basis of our ability to deliver quality music events, sell tickets and provide enhanced  
4 fan and artist experiences.”

5           • Stating at multiple points in 2016 and 2017 in a recent antitrust litigation  
6 against Defendants in this District Court, *Complete Entertainment Resources, LLC v.*  
7 *Live Nation Entertainment, Inc.*, that Defendants had never tied or conditioned ticketing  
8 contracts on access to Live Nation-promoted concerts, going so far as to convince the  
9 Court to provide only limited discovery on that issue in the case. Later in the case,  
10 Defendants’ representatives made multiple statements that there was no evidence of  
11 such tying or conditioning, and attempted to excoriate the plaintiff for including such  
12 allegations in the first place. Such conduct echoed affirmative statements from  
13 Defendants’ employees, officers, and directors that they competed solely on the merits  
14 in obtaining ticketing contracts.

15           • Implementing the “Verified Fan” program in 2017, which Ticketmaster  
16 claimed—often through interviews from David Marcus, Ticketmaster’s EVP of  
17 Music—helped cut down scalping behavior by “90%” by putting tickets in the hands of  
18 “real fans” rather than secondary ticket resellers.

19           • In September 2019, Mr. Rapino tried to downplay the ongoing DOJ  
20 inquiries and suggest that Defendants’ business practices were in keeping with the  
21 consent decree’s requirements. He stated, “We educate all of our employees: ‘This is  
22 how you go to market [with] Ticketmaster versus Live Nation, this and this is what you  
23 can’t say. Win the business straight: You can bundle the business, you can add value,  
24 you can present together — it’s great to have Ticketmaster ticketing your building and  
25 have Live Nation as your content partner. That’s how we generally win a business:  
26 because of the strong value proposition we provide.”

27           (c) By implementing and imposing the conditional license, which  
28 ostensibly limited ticketing brokers’ and/or other mass secondary ticket resellers’

1 access to Defendants’ ticketing platforms, which indicated that Defendants were taking  
2 lawful steps to prevent ticketing brokers from accessing their ticketing platforms  
3 instead of primary ticket purchasers;

4 (d) By publicly stating that they were taking steps to curtail abuses of  
5 primary ticket purchases by ticket resellers. Examples of such statements include the  
6 following:

7 • In a 2012 blog post, Ticketmaster stated that “the impact BOTS have on  
8 you, our fans, isn’t fair. We want them gone.” It went on, “We invest millions of  
9 dollars in our technology to differentiate the real fans from the BOTS” and  
10 “Ticketmaster actively works with lawmakers, law enforcement and with our clients to  
11 combat BOTS – and we have done this for years.” It then—ironically—“challenge[d]  
12 all in the industry to follow our lead and step up and take action against those who use  
13 and profit from BOTS.”

14 • In connection with a 2016 article for *ampthemag*, Mr. Rapino admitted  
15 that “he remains focused on finding ways to curb secondary market ticket sales and put  
16 the money back into the pockets of artists and promoters.” He further was quoted as  
17 stating that “his business model isn’t selling a ticket multiple times, it’s selling the right  
18 ticket to the right fan at the right price and that sale happens once, not multiple times,”  
19 and he was quoted as saying, “We don’t benefit on the \$700 Beyonce ticket.” “The  
20 scalper or the mom and pop seller get the uplift. Our great motive is that \$8 billion is in  
21 the gross, and that we are splitting it with the artist, and we make our piece, and the  
22 artist makes the \$700. Our number one motive is to get the 8 billion in the gross for the  
23 content, not to be on the sidelines making a service fee on a secondary ticket.”

24 • In connection with a 2017 article for *Vulture*, David Marcus,  
25 Ticketmaster’s EVP of Music, stated regarding secondary ticketing, “It feels like an  
26 injustice. It’s the sense of, ‘I don’t know who’s screwing me, but I feel screwed.’” He  
27 went on, “How do we make sure that the primary industry recaptures that value?  
28 Because that’s where the art is being created, that’s where the risk is being taken, that’s

1 where the fans are. The extent that there’s \$8 billion in activity in a secondary  
2 marketplace? Shame on us. That’s the primary industry’s weakness and inefficiency  
3 and failure to do what we can do for artists and fans.”

4 • Mr. Marcus also provided an interview to *The Verge* in 2018, in which he  
5 conveyed that “Scalpers and their bots are public enemy number one, to hear Marcus  
6 tell it, and he talks about battling them as a ‘constant arms race,’ one that Ticketmaster  
7 hopes to end by addressing ‘the root causes’ of the predatory resale market:  
8 ‘Anonymous people buying tickets on a first-come-first-serve basis, at below market  
9 value.’” “Scalpers completely abuse artists and fans, not to accomplish anything but a  
10 profit,” Marcus says. “If you want to build a successful retail brand, you can’t stand by  
11 and watch that happen. You have to change the way you do business.”

12 127. Plaintiffs and the class members did not discover, nor could have  
13 discovered through reasonable diligence, that Defendants were violating the antitrust  
14 laws until less than four years before this litigation was initially commenced, because  
15 Defendants used deceptive methods to avoid detection and to affirmatively conceal  
16 their violations from the ticket-buying public.

17 128. Defendants did not tell Plaintiffs or other class members that they were  
18 violating the consent decree, coercing disobedient venues into selecting Ticketmaster as  
19 their primary ticketing service provider, misusing the conditional copyright license for  
20 Ticketmaster, or engaging in the other unlawful collusive practices alleged herein. By  
21 its very nature, Defendants’ anticompetitive conduct, because it was performed outside  
22 the sight and knowledge of the ticket-buying public, was inherently self-concealing.

23 129. As detailed above, Defendants engaged in a successful anticompetitive  
24 scheme that they affirmatively concealed:

25 (a) By meeting with venues, ticket brokers, and other parties that  
26 enabled the scheme out of sight from the ticket-buying public (including through the  
27 use of private telephonic and electronic communications);

28

1 (b) By demanding and otherwise ensuring that the threats, back room  
2 deals, and other anticompetitive practices were not discussed publicly, or did not  
3 otherwise reveal the nature and substance of the acts and communications in  
4 furtherance of their alleged scheme; and

5 (c) By publicly claiming (until only recently) that they were abiding by  
6 the consent decree's terms, were using their conditional license in a lawful way, and  
7 otherwise were competing on the merits rather than squashing competition through  
8 anticompetitive means.

9 130. As a result, Plaintiffs did not discover Defendants' conspiracy, even with  
10 the exercise of reasonable diligence. Plaintiffs' diligence included reviewing the terms  
11 of purchases on Ticketmaster. Plaintiffs' review of these and other public materials  
12 was insufficient to put Plaintiffs on notice of Defendants' anticompetitive scheme.

13 **CLASS ACTION ALLEGATIONS**

14 131. Under Rule 23 of the Federal Rules of Civil Procedure, Plaintiffs seek  
15 certification of two sub-classes, defined as follows:

16 The **“Primary Ticketing Services Consumer Class”**:

17 All end-user purchasers in the United States who purchased a primary  
18 ticket and paid associated fees for primary ticketing services for an event  
19 at a major concert venue in the United States from Ticketmaster or one  
of its affiliated entities owned, directly or indirectly, by Live Nation  
Entertainment, Inc. at any point since 2010.

20 The **“Secondary Ticketing Services Consumer Class”**:

21 All end-user purchasers in the United States who purchased a secondary  
22 ticket and paid associated fees for secondary ticketing services for an  
23 event at a major concert venue in the United States from Ticketmaster or  
one of its affiliated entities owned, directly or indirectly, by Live Nation  
Entertainment, Inc. at any point since 2010.

24 132. Excluded from the classes are ticket brokers, Defendants; the officers,  
25 directors or employees of Defendants; any entity in which any defendant has a  
26 controlling interest; and any affiliate, legal representative, heir or assign of Defendants.  
27 Also excluded from the classes are any professional ticket resellers. Also excluded  
28 from the classes are any federal, state or local governmental entities, any judicial officer



1 presiding over this action and the members of his/her immediate family and judicial  
2 staff, and any juror assigned to this action.

3 133. Plaintiffs do not know the exact number of class members at the present  
4 time. However, due to the nature of the trade and commerce involved, there appear to  
5 be hundreds of thousands if not millions of class members such that joinder of all class  
6 members is impracticable.

7 134. The classes are defined by objective criteria, and notice can be provided  
8 through techniques similar to those customarily used in other antitrust cases and class  
9 actions, including use of Defendants' records.

10 135. There are questions of law and fact common to each of the classes,  
11 including whether Defendants violated the antitrust laws through the actions alleged  
12 herein.

13 136. Plaintiffs assert claims that are typical of the classes. Plaintiffs and all  
14 class members in each class have been subjected to the same wrongful conduct because  
15 they all have purchased primary and/or secondary tickets and paid higher associated  
16 fees for primary and/or secondary ticketing services for events at major concert venues  
17 from Ticketmaster than they otherwise would have paid.

18 137. Plaintiffs will fairly and adequately represent and protect the interests of  
19 the classes. Plaintiffs are represented by counsel competent and experienced in both  
20 antitrust and class action litigation.

21 138. Class certification is appropriate because Defendants have acted on  
22 grounds that apply generally to the class, so that final injunctive relief or corresponding  
23 declaratory relief is appropriate respecting the class as a whole.

24 139. Class certification is also appropriate because common questions of law  
25 and fact predominate over any questions that may affect only individual members of the  
26 classes, including, *inter alia*, the following:

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- 1 (a) whether Defendants in fact engaged in anticompetitive acts
- 2 aimed at unreasonably restraining competition for primary
- 3 and secondary ticketing services;
- 4 (b) whether such conduct violates the Sherman Act;
- 5 (c) whether such conduct injured the class members; and
- 6 (d) whether monetary damages and injunctive relief should be
- 7 provided to class members as a result of Defendants'
- 8 wrongful conduct.

9 140. A class action is superior to other available methods for the fair and  
10 efficient adjudication of this controversy, since joinder of all the individual class  
11 members is impracticable. Furthermore, because the monetary injury suffered by each  
12 individual class member may be relatively small, the expense and burden of individual  
13 litigation would make it very difficult or impossible for individual class members to  
14 redress the wrongs done to each of them individually and the burden imposed on the  
15 judicial system would be enormous.

16 141. The prosecution of separate actions by the individual class members would  
17 create a risk of inconsistent or varying adjudications, which would establish  
18 incompatible standards of conduct for Defendants. In contrast, the conduct of this  
19 action as a class action presents far fewer management difficulties, conserves judicial  
20 resources and the parties' resources, and protects the rights of each class member.

21 **INTERSTATE TRADE AND COMMERCE**

22 142. Defendants' conduct has taken place in and affected the continuous flow  
23 of interstate trade and commerce of the United States, in that, *inter alia*:

- 24 (a) Defendants have provided primary and secondary ticketing services
- 25 for major concert venues throughout the United States;
- 26 (b) Defendants have used instrumentalities of interstate commerce to
- 27 provide primary and secondary ticketing services for major concert venues throughout
- 28 the United States;

1 (c) In furtherance of the anticompetitive scheme alleged herein,  
2 Defendants have traveled between states and have exchanged communications through  
3 interstate wire communications and via U.S. mail; and

4 (d) The anticompetitive scheme alleged herein has affected billions of  
5 dollars of commerce. Defendants have inflicted antitrust injury by artificially raising  
6 prices paid by Plaintiffs and the class members.

7 **CLAIMS FOR RELIEF**

8 **FIRST CLAIM FOR RELIEF**

9 **(Monopolization, Sherman Act, Section 2, 15 U.S.C. § 2)**

10 **(against All Defendants)**

11 143. Plaintiffs repeat and reallege each and every allegation of this Complaint  
12 as if fully set forth herein.

13 144. Defendants have willfully acquired and maintained monopoly power for  
14 Ticketmaster in the relevant markets for primary ticketing services for major concert  
15 venues and, on information and belief, for secondary ticketing services for major  
16 concert venues.

17 145. Ticketmaster possesses monopoly power in the relevant market for  
18 primary ticketing services for major concert venues and, on information and belief, the  
19 relevant market for secondary ticketing services for major concert venues.  
20 Ticketmaster has the power to control prices or exclude competition in the relevant  
21 markets.

22 146. Ticketmaster has market share of at least 70% of the relevant market for  
23 primary ticketing services for major concert venues and, on information and belief, at  
24 least 60% of the relevant market for secondary ticketing services for major concert  
25 venues.

26 147. Defendants have willfully acquired and maintained monopoly power for  
27 Ticketmaster in the relevant markets, by means of predatory, exclusionary, and  
28 anticompetitive conduct, including but not limited to long-term exclusive dealing

1 arrangements, leveraging, coercion of disloyal customers, ticket brokers, and others,  
2 tying arrangements, and vertically-arranged boycotts, as alleged herein.

3 Exclusive dealing arrangements

4 148. Defendants have entered into long-term exclusive dealing arrangements  
5 with venues with respect to the provision of primary and secondary ticketing services.

6 149. Defendants' arrangements have had the effect of foreclosing competition  
7 in a substantial share of the line of commerce affected and the relevant market for  
8 primary and secondary ticketing services for major concert venues.

9 150. Defendants' arrangements cannot be circumvented.

10 151. Defendants' arrangements with major concert venues are of long duration  
11 and not easily terminable as a matter of practical economics.

12 152. Defendants have coerced major concert venues to enter into these  
13 arrangements.

14 153. Defendants' arrangements are not the product of competition.

15 154. Defendants' arrangements have had the effect of substantially lessening  
16 competition and tending to create a monopoly in the relevant market for primary and  
17 secondary ticketing services for major concert venues. Defendants have used that  
18 monopoly power in a predatory, exclusionary, and anticompetitive manner to  
19 monopolize, on information and belief, the relevant market for secondary ticketing  
20 services for major concert venues.

21 Leveraging

22 155. Defendants have monopoly power in the relevant market for primary  
23 ticketing services for major concert venues and in the relevant market for concert  
24 promotion services for major concert venues.

25 156. Defendants have used their monopoly power in those relevant markets in a  
26 predatory, exclusionary, and anticompetitive manner to monopolize the relevant market  
27 for primary ticketing services for major concert venues and, on information and belief,  
28 the relevant market for secondary ticketing services for major concert venues, and

1 exclude competitors from those markets, including but not limited to by means of  
2 coercion of disloyal customers, ticket brokers, and others, tying arrangements, long-  
3 term exclusive dealing arrangements, and vertically-arranged boycotts.

4 157. Defendants have used their monopoly power to monopolize the relevant  
5 markets for primary ticketing services for major concert venues and secondary ticketing  
6 services for major concert venues.

7 Coercion of and threats against disloyal customers, ticket brokers, and  
8 others

9 158. Defendants have also coerced major concert venue operators to enter into  
10 long-term exclusive deals with Ticketmaster.

11 159. Defendants have coerced major concert venue operators not to work with  
12 other primary and secondary ticketing service providers.

13 160. Defendants' threats and coercion have impeded competitors' ability to  
14 secure contracts for primary and secondary ticketing services with the majority of major  
15 concert venues in the United States.

16 161. By way of, *inter alia*, the misuse of Ticketmaster's conditional license,  
17 Defendants have agreed with and/or coerced ticket brokers and other ticket resellers not  
18 to work with other secondary ticketing service providers.

19 162. By way of, *inter alia*, building in and applying technological limitations  
20 on primary ticket transferability, Defendants have agreed with and/or coerced artists  
21 into preventing primary ticket purchasers from working with other secondary ticketing  
22 service providers.

23 163. Defendants' threats and coercion have impeded competitors' ability to  
24 attract resellers to their secondary ticket platform for secondary ticket sales.

25 Tying arrangements – concert promotion and primary ticketing services

26 164. The provision of concert promotion services and primary ticketing services  
27 are two separate services or products.  
28

1 165. Defendants have conditioned the provision of concert promotion services  
2 on the use of primary ticketing services from Ticketmaster.

3 166. Defendants have sufficient economic power in the relevant market for  
4 concert promotion services to enable them to restrain trade in the relevant market for  
5 primary ticketing services.

6 167. Defendants' conduct has affected a not insubstantial amount of interstate  
7 commerce in the provision of primary ticketing services for major concert venues.

8 168. Defendants' conduct has had an anticompetitive effect in the relevant  
9 market for primary ticketing services for major concert venues.

10 Tying arrangements – primary and secondary ticketing services

11 169. The provision of primary ticketing services for major concert venues and  
12 secondary ticketing services for major concert venues are two separate services or  
13 products.

14 170. By way of, *inter alia*, exclusive dealing contracts, the misuse of  
15 Ticketmaster's conditional license, and technological limitations on primary ticket  
16 transferability, Defendants have conditioned the provision of primary ticketing services  
17 on the use of secondary ticketing services from Ticketmaster.

18 171. Defendants have sufficient economic power in the relevant market for  
19 primary ticketing services for major concert venues to enable them to restrain trade in  
20 the relevant market for secondary ticketing services for major concert venues.

21 172. Defendants' conduct has affected a not insubstantial amount of interstate  
22 commerce in the provision of primary ticketing services for major concert venues and  
23 secondary ticketing services for major concert venues.

24 173. Defendants' conduct has had an anticompetitive effect in the relevant  
25 markets for primary ticketing services for major concert venues and secondary ticketing  
26 services for major concert venues.

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1                   Vertically-arranged boycotts

2           174. Defendants have induced and coerced venues to boycott Ticketmaster’s  
3 competitors for the provision of primary ticketing services.

4           175. By way of, *inter alia*, exclusive dealing contracts with major concert  
5 venues and misuse of Ticketmaster’s conditional license, Defendants have agreed with,  
6 induced, and/or coerced ticket brokers and other ticket resellers to boycott  
7 Ticketmaster’s competitors for the provision of secondary ticketing services.

8           176. By way of, *inter alia*, building in and applying technological limitations  
9 on primary ticket transferability, Defendants have agreed with and/or coerced artists  
10 into preventing primary ticket purchasers from working with other secondary ticketing  
11 service providers.

12           177. Defendants’ conduct has foreclosed access to the relevant market for  
13 primary ticketing services for major concert venues, which is necessary to enable  
14 Ticketmaster’s primary ticketing service competitors to compete.

15           178. Defendants’ conduct has foreclosed access to the relevant market for  
16 secondary ticketing services for major concert venues, which is necessary to enable  
17 Ticketmaster’s secondary ticketing service competitors to compete.

18           179. Ticketmaster possesses a dominant position in the relevant markets for  
19 primary ticketing services for major concert venues and secondary ticketing services for  
20 major concert venues.

21           180. Defendants’ conduct is not justified, because their conduct is not intended  
22 to enhance overall efficiency and to make the relevant markets more efficient.

23           181. Defendants’ conduct has had a substantial effect on interstate commerce.

24           182. Live Nation Entertainment promoted, encouraged, aided, assisted, and/or  
25 directed Ticketmaster’s conduct alleged above. Live Nation Entertainment also  
26 independently participated in the anticompetitive scheme as alleged herein.

27           183. Plaintiffs have been or will be injured in their property as a result of  
28 Defendants’ conduct.

1 184. Plaintiffs have suffered and will suffer injury of the type that the antitrust  
2 laws were intended to prevent. Plaintiffs have been and will be injured by the harm to  
3 competition as a result of Defendants' conduct.

4 **SECOND CLAIM FOR RELIEF**

5 **(Attempted Monopolization, Sherman Act, Section 2, 15 U.S.C. § 2)**

6 **(against All Defendants)**

7 185. Plaintiffs repeat and reallege each and every allegation of this Complaint  
8 as if fully set forth herein.

9 186. With respect to the relevant market for primary ticketing services for  
10 major concert venues, Defendants have engaged in predatory, exclusionary, and  
11 anticompetitive conduct, including but not limited to leveraging, coercion of disloyal  
12 customers and others, tying arrangements, long-term exclusive dealing arrangements,  
13 and vertically-arranged boycotts.

14 187. With respect to the relevant market for secondary ticketing services for  
15 major concert venues, Defendants have engaged in predatory, exclusionary, and  
16 anticompetitive conduct, including but not limited to exclusive dealing contracts with  
17 major concert venues that include the exclusive right to sell all tickets, including  
18 secondary tickets, for said concerts, misusing the conditional license granted to use  
19 Ticketmaster's online ticketing platform, limiting primary ticket transferability through  
20 technological means, agreeing with and/or coercing ticket brokers to agree to list  
21 primary tickets on Ticketmaster's secondary platform instead of competitors' secondary  
22 ticket platforms, and agreeing with and/or coercing artists into limiting primary ticket  
23 transferability except on Ticketmaster's secondary ticketing platform, as well as the  
24 types of anticompetitive conduct referenced in the prior paragraph.

25 188. Defendants' conduct has had an anticompetitive effect in the relevant  
26 markets for primary and secondary ticketing services for major concert venues.

27 189. Defendants' conduct has no legitimate business purpose or procompetitive  
28 effect.



1 190. Defendants have engaged in that conduct with the specific intent of  
2 monopolizing the relevant markets for primary and secondary ticketing services.

3 191. Defendants have engaged in that conduct with a dangerous probability of  
4 monopolizing each of the relevant markets for primary and secondary ticketing services  
5 for major concert venues.

6 192. Defendants' conduct has had a substantial effect on interstate commerce.

7 193. Live Nation Entertainment promoted, encouraged, aided, assisted, and/or  
8 directed Ticketmaster's conduct alleged above. Live Nation Entertainment also  
9 independently participated in the anticompetitive scheme as alleged herein.

10 194. Plaintiffs have been or will be injured in their property as a result of  
11 Defendants' conduct.

12 195. Plaintiffs have suffered and will suffer injury of the type that the antitrust  
13 laws were intended to prevent. Plaintiffs have been and will be injured by the harm to  
14 competition as a result of Defendants' conduct.

15 **THIRD CLAIM FOR RELIEF**

16 **(Sherman Act, Section 1, 15 U.S.C. § 1)**

17 **(against All Defendants)**

18 196. Plaintiffs repeat and reallege each and every allegation of this Complaint  
19 as if fully set forth herein.

20 197. As alleged above, Defendants and various venues, ticket brokers, artists,  
21 and others have entered into one or more contracts, combinations, or conspiracies to  
22 unreasonably restrain trade, to control prices or exclude competition, and to willfully  
23 acquire and maintain monopoly power for Ticketmaster in the relevant markets for  
24 primary and secondary ticketing services for major concert venues.

25 198. As alleged above, Defendants have induced or coerced various major  
26 concert venues, ticket brokers, artists, and others to enter into one or more contracts,  
27 combinations, or conspiracies to unreasonably restrain trade, to control prices or  
28 exclude competition, and to willfully acquire and maintain monopoly power for

1 Ticketmaster in the relevant markets for primary and secondary ticketing services for  
2 major concert venues.

3 199. As alleged above, Defendants have conditioned the provision of services  
4 and access to venues over which they hold market power on the boycotting of  
5 competing primary ticketing service providers for major concert venues and the use of  
6 Ticketmaster's secondary ticketing services for major concert venues.

7 200. These contracts, combinations, or conspiracies include but are not limited  
8 to long-term exclusive dealing arrangements, tying arrangements, and vertically-  
9 arranged boycotts.

10 201. Defendants' conduct has had an anticompetitive effect in the relevant  
11 markets for primary and secondary ticketing services for major concert venues.

12 202. Defendants' conduct has no legitimate business purpose or procompetitive  
13 effect.

14 203. There are less restrictive alternatives to the restraints Defendants imposed  
15 on the relevant markets for primary and secondary ticketing services for major concert  
16 venues.

17 204. Defendants' conduct has had a substantial effect on interstate commerce.

18 205. Live Nation Entertainment promoted, encouraged, aided, assisted, and/or  
19 directed Ticketmaster's conduct alleged above. Live Nation Entertainment also  
20 independently participated in the anticompetitive scheme as alleged herein.

21 206. Plaintiffs have been or will be injured in their property as a result of  
22 Defendants' conduct.

23 207. Plaintiffs have suffered and will suffer injury of the type that the antitrust  
24 laws were intended to prevent. Plaintiffs have been and will be injured by the harm to  
25 competition as a result of Defendants' conduct.

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**PRAYER FOR RELIEF**

208. Wherefore, Plaintiffs request the following relief:

- (a) Damages in an amount to be determined;
- (b) Treble damages;
- (c) Attorneys' fees;
- (d) Costs;
- (e) Pre-judgment and post-judgment interest at the maximum rate permitted under the law;
- (f) Punitive damages;
- (g) Injunctive relief, including but not limited to an injunction barring Defendants' conduct alleged in the Complaint;
- (h) Declaratory relief, including but not limited to a declaration and judgment that Defendants' conduct alleged in the Complaint violates the laws alleged in the Complaint; and
- (i) Such other and further relief as the Court deems proper and just.

**DEMAND FOR JURY TRIAL**

Pursuant to Rule 38(a) of the Federal Rules of Civil Procedure, Plaintiffs demand a jury trial as to all issues triable by a jury.

1 DATED: January 4, 2022

Respectfully submitted,

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