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14 of themselves and all those similarly  
15 situated

16 UNITED STATES DISTRICT COURT

17 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

18 Olivia Van Iderstine and Mitch  
19 Oberstein, on behalf of themselves and  
20 all those similarly situated,

21 Plaintiffs,

22 v.

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

25 Defendants.

CASE NO.

**COMPLAINT**

Jury Trial Demanded

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**PRELIMINARY STATEMENT**

1  
2       1.     Plaintiffs bring this class action against Defendants Ticketmaster LLC  
3 (“Ticketmaster”) and Live Nation Entertainment, Inc. (“Live Nation Entertainment”)  
4 under Sections 1 and 2 of the Sherman Act, 15 U.S.C. §§ 1 and 2, to recover the  
5 damages they suffered from paying supracompetitive fees on primary and secondary  
6 ticket purchases from Ticketmaster’s online platforms.

7       2.     For decades, Ticketmaster and its predecessor, Ticketmaster  
8 Entertainment, Inc., has dominated primary ticketing services for live music events at  
9 major concert venues throughout the nation.<sup>1</sup> Today, Ticketmaster has a market share  
10 exceeding 70% of primary ticketing services for major concert venues, which has come  
11 about in part by virtue of a web of long-term exclusive dealing agreements and various  
12 anticompetitive acts detailed herein, and provided Ticketmaster with decades of market  
13 dominance. By Defendants’ own count, Ticketmaster provides primary ticketing  
14 services to over 12,000 venues, with more added every year. As the Department of  
15 Justice’s Antitrust Division noted in 2010, and as public facts from subsequent  
16 litigation have demonstrated, there are high barriers to entry in the market for primary  
17 ticketing services for major concert venues, including, among other things, the long-  
18 term exclusive dealing agreements mentioned above. These barriers and Defendants’  
19 many anticompetitive acts have assured that Ticketmaster’s market power has long  
20 been (and remains) impregnable. As a result, over 70% of tickets for major concert  
21 venues in the U.S. are sold through Ticketmaster’s online platforms, despite that—as it  
22 has done for years—Ticketmaster charges supracompetitive fees made possible by its  
23 dominant market position.

24       3.     But Ticketmaster is not just a standalone company; it merged with Live  
25 Nation Entertainment in 2010 and today those entities jointly form the world’s largest

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26  
27       <sup>1</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.

1 and most powerful live music company. In the United States alone, Live Nation  
 2 Entertainment is by far the largest and most dominant concert promoter for major  
 3 concert venues, with a roster of clients that includes the vast majority of top touring  
 4 acts in the world. And Ticketmaster provides the vast majority of ticketing for those  
 5 top grossing tours, as the former Chief Economist of both the Federal Trade  
 6 Commission and the Antitrust Division summarized in a recently-concluded lawsuit:

7 **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%

27 Note: "Events" are defined as a single headlining act performing at a single venue over consecutive dates; an "event" can have  
 28 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").

1           4.       Subsidized by the supracompetitive profits Ticketmaster’s business  
2 generates from its domination of primary ticketing services for major concert venues,  
3 Live Nation Entertainment is able to keep a stranglehold on concert promotion  
4 services—losing tens of millions of dollars annually—by paying its clients exorbitant  
5 amounts. Using its promotion business as a loss leader in turn helps maintain  
6 Ticketmaster’s dominance, because venue operators must take into account the very  
7 real possibility that Live Nation Entertainment will not route tours through their venues  
8 if they do not select Ticketmaster as their primary ticketing service provider. And, as  
9 the U.S. Department of Justice’s Antitrust Division recently revealed in public filings,  
10 this possibility was not just theoretical. Since shortly after Live Nation Entertainment  
11 and Ticketmaster merged in 2010, Defendants regularly threatened venues with less (or  
12 no) Live Nation Entertainment tours if they did not select Ticketmaster as their primary  
13 ticketing service provider. The practice was apparently so pervasive and insidious that,  
14 as the DOJ put it, “venues throughout the United States have come to expect that  
15 refusing to contract with Ticketmaster will result in the venue receiving fewer Live  
16 Nation concerts or none at all. Given the paramount importance of live event revenues  
17 to a venue’s bottom line, this is a loss most venues can ill-afford to risk.” This  
18 practice—which was, until recently, invisible to concert-going consumers, because  
19 consumers had no reason to know how venues contract for primary ticketing services,  
20 and because Defendants affirmatively concealed the behavior—went unchecked for so  
21 long that Defendants recently became brazen in their conduct. Live Nation  
22 Entertainment’s CEO and President, Michael Rapino, publicly admitted (on  
23 information and belief, for the first time) in September 2019 that, if a venue wants to  
24 use a ticketing service provider other than Ticketmaster, the venue “won’t be the best  
25 economic place anymore because we don’t hold the revenue.” In other words, Mr.  
26 Rapino indicated that, consistent with the DOJ’s recently-made-public factual findings,  
27 Live Nation Entertainment would not route tours through that venue in the future  
28

1 because Ticketmaster does not provide primary ticketing services there. This threat  
2 was not lost on any serious industry participant.

3         5.       The combined Live Nation/Ticketmaster behemoth has enormous, and  
4 unique, market power in primary ticketing and concert promotion services, and has  
5 shown it is unafraid to use that power. Furthermore, the public evidence indicates, ever  
6 since the 2010 merger, Ticketmaster acted under Live Nation Entertainment's direction  
7 and control, including Mr. Rapino in particular, with respect to the anticompetitive acts  
8 alleged herein. Live Nation Entertainment also provided substantial, independent  
9 assistance to Ticketmaster's anticompetitive acts. As the DOJ recently put it,  
10 Defendants' anticompetitive acts mean that, today, "many venues are effectively  
11 required to contract with Ticketmaster to obtain Live Nation concerts on reasonable  
12 terms, limiting the ability of Ticketmaster's competitors to compete in the primary  
13 ticketing market and harming venues that would benefit from increased competition."

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

1 paid in a competitive market).

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

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

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



1           10. In addition to using the conditional license as an anticompetitive bludgeon,  
2 Defendants have also begun using their dominance over primary ticketing services to  
3 limit primary purchasers' ability to transfer tickets, unless those purchasers resell their  
4 tickets through Ticketmaster's secondary ticketing platform. Defendants do so through  
5 mobile ticket technology, which delivers a ticket to a purchaser's smartphone.  
6 Historically, primary ticket purchasers have been able to transfer their tickets to  
7 whomever they want. They could resell their tickets on a competing secondary  
8 ticketing platform and then transfer their tickets to the secondary purchaser free of  
9 charge. Now, however, Defendants have implemented technology that prevents such  
10 transfers, but still permits primary purchasers to resell their ticket on Ticketmaster's  
11 platform. Primary purchasers are unaware of these restrictions when purchasing their  
12 tickets, and then have no choice in which platform to use if they wish to resell their  
13 ticket.

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

21           12. Given these problems, Defendants' use of the conditional license as an  
22 anticompetitive weapon, as well as their limitations on primary ticket transferability,  
23 have had anticompetitive effects for both primary and secondary ticketing services.  
24 Among other effects, one effect is to grow Ticketmaster's secondary ticketing service  
25 business at the expense of its rivals (which provide the competing secondary ticket  
26 platforms on which brokers can opt to sell their purchased tickets), but not because  
27 Ticketmaster offers a better or cheaper service. Another effect is to dramatically  
28 increase Ticketmaster's revenues by allowing it to levy fees on the second (and third,



1 etc.) sale of the same ticket(s) it sold in the primary sale. Ticketmaster has leveraged  
2 these effects into massive growth for its secondary ticketing service business, which has  
3 come at the expense of consumers because it has led to ever more supracompetitive  
4 ticketing fees for both primary and secondary ticketing services at major concert  
5 venues. That is a third effect of Defendants' conduct. On information and belief,  
6 Defendants' misuse of the conditional license alone has, like the recently-revealed  
7 information from the DOJ's investigation, continued for years and had substantial  
8 negative effects on competition in the markets for primary and secondary ticketing  
9 services, which has led to higher prices for both secondary *and* primary ticket  
10 purchasers on Ticketmaster's platform. When combined with the remainder of their  
11 bad acts, the harm is even more substantial for all types of ticket purchases.

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

1 offered at much higher prices than their face value were primary, as opposed to  
2 secondary, ticket sales).

3 14. Defendants' predatory acts have increased and today threaten the entirety  
4 of competition within the primary and secondary ticketing services markets. Michael  
5 Rapino, Live Nation Entertainment's CEO and President, has admitted that artists today  
6 make 95% of their income from live music events and that Live Nation is now the  
7 "largest single financier" of artists worldwide (more than record companies). Armed as  
8 he is with this power over artists' careers, and fueled by Ticketmaster's outsized profits,  
9 Mr. Rapino has used this position to intimidate the live music industry into using  
10 Ticketmaster for primary ticketing services and, more and more, secondary ticketing  
11 services. He and the Live Nation monster he has helped create over the past decade-  
12 plus must be stopped.

13 15. This Complaint details Defendants' violations of the U.S. antitrust laws.  
14 Defendants are dominant in three relevant markets – (1) primary ticketing services for  
15 major concert venues (§§ 45-58, 63-65), (2) secondary ticketing services for major  
16 concert venues (§§ 59-65), and (3) concert promotion for major concert venues (§§ 66-  
17 72). Defendants have engaged in predatory and exclusionary conduct (1) to  
18 monopolize the primary ticketing services market (§§ 79-89) and (2) to extend their  
19 dominance into the secondary ticketing services market (§§ 90-106). Defendants'  
20 anticompetitive conduct has lessened, if not eliminated, competition and harmed  
21 consumers, including both the Primary and the Secondary Ticketing Services Consumer  
22 Classes (§§ 107-16). This lawsuit aims to put an end to Defendants' misconduct.

## 23 **PARTIES**

### 24 **A. Defendants**

25 16. Defendant Live Nation Entertainment, Inc. (formerly known as Live  
26 Nation, Inc.) is a Delaware corporation with its principal place of business at 9348  
27 Civic Center Drive, Beverly Hills, California 90210. Live Nation is the largest live  
28 entertainment company in the world, connecting over half a billion fans across all of its

1 platforms in 29 countries. Live Nation states on its website that it “annually issues over  
2 500 million tickets, promotes more than 35,000 events, partners with over 1,000  
3 sponsors and manages the careers of 500+ artists.” Live Nation’s 2019 revenues were  
4 approximately \$11.5 billion, but approximately 50% of its adjusted operating income is  
5 attributable to its Ticketing division (*i.e.*, Ticketmaster), even though Ticketmaster  
6 represented only 13.4% of Live Nation’s revenues.

7       17. Defendant Ticketmaster LLC is a wholly-owned subsidiary of Live Nation  
8 Entertainment, Inc. Ticketmaster is a limited liability company organized and existing  
9 under the laws of Virginia with its principal place of business at 7060 Hollywood  
10 Boulevard, Hollywood, California, 90028. Ticketmaster LLC is the successor in  
11 interest to Ticketmaster Entertainment, Inc., a Delaware corporation, and is the largest  
12 ticketing company in the United States, with 2019 revenues of approximately \$1.54  
13 billion. As discussed herein, Ticketmaster’s business includes two main arms: its  
14 legacy primary ticketing services business and a newer, but increasingly-dominant,  
15 secondary ticketing service business. On information and belief, Ticketmaster’s share  
16 of secondary ticketing services for major concert venues in the U.S. already exceeds  
17 60%. Ticketmaster also has several additional divisions that provide ancillary services  
18 to these ticketing businesses. In performing the anticompetitive acts herein alleged,  
19 Ticketmaster acted under the direction and control of, and in coordination with,  
20 Defendant Live Nation Entertainment, and its senior-most executives.

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

24               (a) In the Concerts segment, Live Nation Entertainment acts as a  
25 promoter. It and AEG Live are the only promoters that can operate on a United States  
26 national and global scale; the remainder of its competitors are purely local in nature.  
27 Live Nation Entertainment often serves as the exclusive promoter for artists on national  
28 tours, and uses cross-collateralization across concerts and its deep pockets, including

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

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

22 (c) The Sponsorship & Advertising segment leverages the 93 million or  
23 so fans Live Nation Entertainment draws to its shows, the 130 million-plus names in  
24 the Ticketmaster database, their stable of managed and promoted artists, and the venues

---

25  
26 <sup>2</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 they control to sell targeted advertising to major companies. In 2019, this segment  
 2 generated adjusted operating income of \$366 million on revenue of \$590 million—a  
 3 62% operating margin.

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

#### 8 **B. Plaintiffs**

9 20. Plaintiff Olivia Van Iderstine is a resident of Los Angeles, California. She  
 10 purchased primary tickets and paid associated fees for primary ticketing services for  
 11 events at major concert venues from Defendants' online platform within the class  
 12 period.

13 21. Plaintiff Mitch Oberstein is a resident of Los Angeles, California. He  
 14 purchased primary and secondary tickets and paid associated fees for primary and  
 15 secondary ticketing services for events at major concert venues from Defendants'  
 16 online platform within the class period.

### 17 **JURISDICTION AND VENUE**

18 22. This Court has subject matter jurisdiction over this action pursuant to 28  
 19 U.S.C. §§ 1331 and 1337 because Plaintiffs bring this action under Sections 4 and  
 20 Section 16 of the Clayton Act, 15 U.S.C. §§ 15 and 16, for violations of Sections 1 and  
 21 2 of the Sherman Act, 15 U.S.C. §§ 1 and 2.

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

### 25 **ADDITIONAL FACTS**

#### 26 **General Background on the Live Music Industry**

27 24. At a high level, the components of the live music entertainment industry  
 28 include the following:



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

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

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

28. The promoter is responsible for promoting the concert to the public, which requires several different types of work. The promoter typically receives the proceeds from gross ticket receipts for each concert it promotes and is responsible for paying the artist, venue, and other expenses associated with the event. For example, the promoter hires the artist for the performance (often guaranteeing more popular artists millions of dollars for that performance or a national tour), generally contracts with the venue (or uses its own venues), pays the concert venue operator a fixed fee (rental payment) to host the concert at the venue, arranges for local production services, and advertises and markets the concert. The promoter bears the downside risk of an event if tickets sell poorly and reaps the upside benefit with the artists if tickets sell well. Put simply, the more tickets a promoter is able to sell for a show, the more money the promoter (and artist) should make.

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

14           30. Concert venue operators provide access to and maintain the facilities  
15 where concerts are held and oversee the venue's associated services, such as  
16 concessions, parking, and security. Along with a rental fee received from the promoter,  
17 venues generally take a share of the proceeds from concessions, parking, and artist  
18 merchandise sales. Concert venues that contract with Ticketmaster have also, in recent  
19 years, begun to take a portion of the fees added to the face value of tickets for events at  
20 the venue (discussed further below). Thus, similar to the promoter, the more tickets  
21 sold (and the more patrons that attend the venue), the more money the concert venue  
22 operator makes.

23           31. In terms of ticket sales, concert venue operators have two options: either  
24 manage the sale of primary ticket inventory themselves or contract with a third party to  
25 handle the sale process for them. Managing and selling concert venue tickets is  
26 technologically and operationally complex, so most concert venue operators choose the  
27 latter option and contract with primary ticketing service providers (generally  
28 Ticketmaster for major concert venues) for comprehensive ticketing solutions. Of



1 particular note for this Complaint is that, on information and belief, Live Nation  
2 Worldwide, along with other members of the Live Nation conglomerate, is the second-  
3 largest concert venue operator/owner in the United States and exclusively utilizes  
4 Ticketmaster for these services.<sup>3</sup>

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

15 33. Primary ticketing service providers generate profits by applying additional  
16 charges to the price of tickets sold to primary purchasers. The overall price a consumer  
17 pays on a primary ticket purchase therefore generally includes the “face value” of the  
18 ticket (which is typically set by the artist and promoter),<sup>4</sup> as well as a variety of fees on  
19 top of/in addition to the face value of the ticket. As noted, these fees are generally  
20 charged, received, and retained by the primary ticketing service provider, although they

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21 <sup>3</sup> Live Nation Worldwide, Inc. is a wholly-owned subsidiary of Live Nation  
22 Entertainment. In addition to the venues it owns and/or operates, Live Nation  
23 Worldwide also runs the website livenation.com. That website is separate and  
24 distinct from Live Nation Entertainment’s website, livenationentertainment.com,  
25 and has a different purpose. On livenation.com, Live Nation Worldwide sells  
26 tickets to events at venues it owns or operates, as well as for shows promoted by  
27 Live Nation Entertainment. The only legal entity name actually listed on  
28 livenation.com, however, is Live Nation Worldwide, Inc.

<sup>4</sup> In recent years, Ticketmaster has rolled out “dynamic pricing” services, which  
helps artists and promoters dynamically adjust ticket face values based on market  
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 may be split with other parties, including the concert venue operator. Typically  
2 described as “convenience,” “processing,” “service,” “facility,” and/or “delivery” fees,  
3 these fees can constitute a substantial portion of the overall cost of the ticket to the  
4 consumer.

5       34. Substantially all of the nation’s major concert venues have entered into  
6 long-term exclusive agreements with primary ticketing service providers—well over  
7 70% with Ticketmaster, and growing each year—whereby the ticketing service  
8 provider contracts for the exclusive rights to the majority of all ticket sales for all  
9 events held at the venue. By Defendants’ own count, Ticketmaster provides primary  
10 ticketing services to over 12,000 venues and has a renewal rate “exceeding 100%,”  
11 because there is no effective competition to Ticketmaster when these long-term  
12 exclusive dealing contracts expire.

13       35. According to Ticketmaster, its agreements with concert venues have terms  
14 that may exceed ten or more years in length and are typically in the 5-7 year range. In  
15 order to induce concert venue owners/managers to enter into such exclusive dealing  
16 agreements, Ticketmaster offers up-front payments and other subsidies that can run into  
17 the millions of dollars that are conditioned on such exclusivity. Those up-front  
18 payments act as a barrier to entry for smaller competitors and act as an additional  
19 mechanism to maintain Ticketmaster’s dominance.

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

28

1        37. In recent years, however, a market for secondary ticketing service  
2 providers also arose. Such service providers typically offer online platforms connecting  
3 ticket resellers to ticket purchasers, and providing services to both by acting as a  
4 distributor agent (distributing secondary tickets from the former to the latter). This  
5 substantially reduces the logistical difficulties of reselling tickets. Today, selling a  
6 ticket is often as easy as posting the ticket on a secondary ticketing platform and  
7 waiting for a purchaser to locate and buy the ticket.

8        38. Like primary ticketing service providers, secondary ticketing service  
9 providers do not set the price of the ticket; that decision is left up to the ticket seller.  
10 Also like primary ticketing service providers, secondary ticketing service providers  
11 generate revenues by levying fees on the sale transaction. However, unlike primary  
12 ticketing service providers, secondary ticketing service providers typically charges fees  
13 on both sides of the transactions, as opposed to just on the ticket purchaser. A ticket  
14 seller therefore must pay a set fee (often a percentage of the “face value” they set for  
15 the ticket sale), and the purchaser must also pay a set fee (often, also a percentage of the  
16 sale price, as well as other assorted fees).

17        39. Due to the conduct alleged herein, Ticketmaster’s branded platform, as  
18 well as its TicketExchange, TicketsNow, TM+, and Verified Tickets secondary  
19 platforms have, on information and belief, obtained a market share exceeding 60% of  
20 secondary ticketing services for major concert venues and are now threatening to obtain  
21 (or have obtained) monopoly power in secondary ticketing services for major concert  
22 venues just as it currently has in primary ticketing services for major concert venues,  
23 where it has a market share exceeding 70%.

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

25        40. There are three relevant service markets applicable to this dispute. They  
26 are: (1) primary ticketing services for major concert venues; (2) secondary ticketing  
27 services for major concert venues; and (3) concert promotion services for major concert  
28 venues. Defendants are dominant in all three markets.

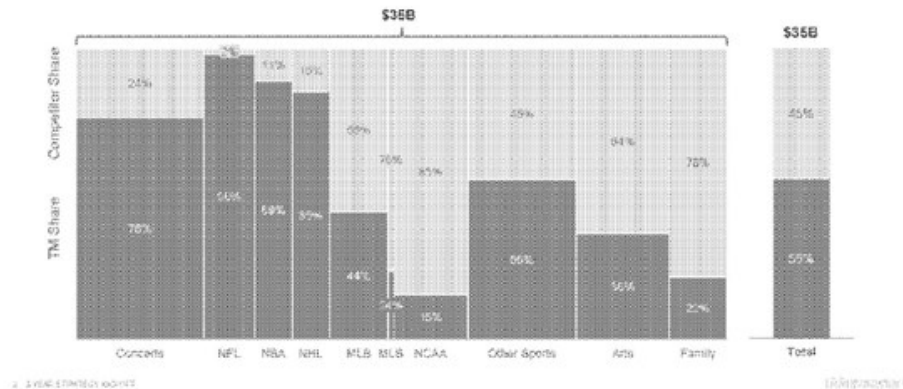
1 **A. Primary and Secondary Ticketing Services**

2 **i. Major concert venues constitute a distinct segment for**  
 3 **ticketing services providers**

4 41. A major concert venue is a facility suitable for hosting events of the most  
 5 successful artists and the largest concert tours. Due to popular demand for events  
 6 featuring successful artists, major concert venues are likely to generate a larger volume  
 7 of commerce (*e.g.*, ticket sales, merchandise sales, concessions) than other venues.  
 8 Relative to other concert venues, major concert venues are also likely to have greater  
 9 seating capacity and to be located closer to major metropolitan areas. In terms of  
 10 events, major concert venues must be suitable for hosting live music concerts, but may  
 11 also be used for non-music performances (*e.g.*, sports) or for other events requiring  
 12 large seating capacity.

13 42. Ticketing service providers recognize that concerts require a specific type  
 14 of ticketing service, and that major concert venues in particular require even more  
 15 specialized ticketing services. Regarding the former point, Ticketmaster internally  
 16 categorizes concerts as a specific type of ticketing. For example, in a previous lawsuit,  
 17 Ticketmaster's Rule 30(b)(6) corporate representative testified that different types of  
 18 venues are treated separately within the organization, and that "concerts" were one such  
 19 category. Ticketmaster's former CFO also testified that Ticketmaster breaks down  
 20 tickets by category, one of which is "concerts." Numerous Ticketmaster documents  
 21 (made public in prior lawsuits) similarly note that concert ticketing is a category unto  
 22 itself within Ticketmaster's broader ticketing services business including but not  
 23 limited to the following:

Figure 1. Ticketmaster 2015 market shares by vertical segment

2015 NA PRIMARY MARKET SIZING  
BY VERTICAL SEGMENT

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

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

44. Artists and their managers also recognize that major concert venues are a distinct category within the live music ticketing space. In previous litigation involving Ticketmaster, one third-party deponent manager made clear that major concert venues were distinct from minor venues, from an artist's perspective, and that ticketing for such venues was largely centralized in one place (Ticketmaster; discussed further below). This view is echoed by industry publications, such as Pollstar, that distinguish "major" concert venues from other venues within single categories, and even give out

1 awards based on whether a venue is “major” or not (*e.g.*, “Best Major Outdoor Concert  
2 Venue”).

3 **ii. Ticketmaster has long dominated primary ticketing services**  
4 **for major concert venues**

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

21 46. High market shares are not the only indicators of Ticketmaster’s market  
22 power. Ticketmaster’s revenues are much greater than those of the next several largest  
23 primary ticketing service competitors combined, as are, on information and belief, its  
24 gross profit margins. Moreover, although a small number of other primary ticketing  
25 competitors attempt to compete against Ticketmaster for primary ticketing rights at  
26 venues not controlled by Defendants, Defendants have admitted that Ticketmaster’s net  
27 renewal rate with venues on an annual basis has been “*over* 100%.” In other words,  
28

1 since it merged with Live Nation Entertainment, Ticketmaster has steadily increased its  
2 market share and dominance.

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

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

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

25 50. In order to protect and preserve its monopoly power in primary ticketing  
26 services and to remove Live Nation Entertainment as a competitor, Ticketmaster  
27 decided to merge with Live Nation Entertainment. The U.S. Department of Justice,  
28 California, and sixteen other states disagreed that this was permissible and, in January



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

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

23 52. Using a widely-recognized measure of market concentration called the  
24 Herfindahl-Hirschman Index (“HHI”), the post-Live Nation Entertainment and  
25 Ticketmaster merger HHI for primary ticketing services for major concert venues  
26 increased by over 2,190 points, resulting in a post-merger HHI of over 6,900. The U.S.  
27 Department of Justice considers any market with an HHI of more than 2,500 to be  
28 highly concentrated. If Ticketmaster is successful in its quest to destroy competition in

1 the primary and secondary ticketing services markets, the HHI would rise even higher,  
2 to nearly single-competitor—*i.e.*, pure monopoly—levels.

3 53. As discussed above, Ticketmaster is the largest primary ticketing services  
4 provider in the nation. Ticketmaster has historically possessed multiple competitive  
5 advantages. As a result, smaller primary ticketing service providers (of all types) have  
6 been limited in their ability to compete.

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

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

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

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

12           58. Ticketmaster's market power in primary ticketing services is evidenced by  
13 the high and supracompetitive fees that it charges for such services, and the restricted  
14 output those fees cause. Ticketmaster's fees can collectively increase the price of a  
15 ticket to the consumer by 20-80% over the ticket's face value, which, in turn, generates  
16 gross profits (after all rebates and other payments) to Ticketmaster of over 80%  
17 according to Ticketmaster's own expert in an earlier case. There are no effective  
18 constraints on Ticketmaster's ability to charge these supracompetitive fees because box  
19 office sales for most concerts and other events are minimal and are continuing to  
20 decrease. This is because (a) in certain cases, Ticketmaster dictates that box office  
21 sales cannot begin until a specified time period following commencement of the online  
22 general sale (*e.g.*, for Madison Square Garden, box office sales are prohibited until one  
23 day after the general sale commences on ticketmaster.com), (b) consumers realize they  
24 have a better chance of obtaining a better seat online, and (c) consumers continue to  
25 increasingly prefer online purchases through mobile- or web-based applications. As  
26 noted above, these factors also lead to restricted output in overall ticket sales, as is  
27 demonstrated by the fact that 40-50% of tickets to concerts at Ticketmaster-contracted  
28 venues go unsold every year.

1                    **iii. Ticketmaster is attempting to extend, or has extended, its**  
 2                    **monopoly power to secondary ticketing services for major**  
 3                    **concert venues**

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

14           60. Within the live music industry, and among concertgoers nationwide, there  
 15 is broad recognition that primary and secondary ticketing services are distinct. Live  
 16 Nation Entertainment's CEO, Mr. Rapino, for example, has been repeatedly quoted  
 17 discussing the difference between the two types of service, including noting that  
 18 Ticketmaster has grown its secondary ticketing services substantially over the past  
 19 several years.<sup>5</sup> Industry sources also regularly recognize the clear difference between  
 20 such services, and secondary ticketing service providers are listed and grouped as a  
 21 distinct category of provider, although there is some overlap between the companies  
 22 that provide such services.

23           61. Several other factors also demonstrate the unique and separate nature of  
 24 secondary ticketing services (as opposed to primary ticketing services) for major  
 25 concert venues:

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26           <sup>5</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           (a) *First*, customers for secondary ticketing services (*i.e.*, secondary  
2 ticket sellers and purchasers) recognize the distinction between secondary ticketing  
3 service providers and primary ticketing service providers. In fact, primary ticketing  
4 service providers themselves (including Ticketmaster) all view secondary ticketing  
5 services as separate and distinct from primary ticketing services. Defendants' own  
6 public materials clearly make this distinction. For example, in Live Nation  
7 Entertainment's most recent SEC Form 10-K disclosure statement, Live Nation  
8 Entertainment repeatedly distinguishes between "ticketing services" and "ticketing  
9 resale services," noting that the former is for venues and the latter for resellers, and that  
10 the services they each provide are different. That same disclosure also distinguishes  
11 between "primary ticketing companies" (also referred to as "primary ticketing service  
12 providers") and "secondary ticketing companies." So, too, does the disclosure  
13 repeatedly distinguish between primary ticket sales and the "secondary ticket sales  
14 market." Other public analyses of the ticketing industry also regularly sort primary and  
15 secondary ticketing service providers into different categories.

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

21           (c) *Third*, the customers for secondary ticketing services for events at  
22 major concert venues are distinct from the customers for primary ticketing services for  
23 events at major concert venues. For primary ticketing services, major concert venue  
24 operators are the ticket sellers who retain primary ticketing service providers to act as  
25 their distributor agent and provide a number of back-end and front-end services to sell  
26 tickets directly to fans wishing to attend an event. For secondary ticketing services, the  
27 ticket sellers are purchasers who bought a ticket and now wish to resell that ticket. The  
28 ticket buyers who utilize the two types of ticketing services are also distinct, in that the

1 secondary ticket buyers are purchasers who were unable to obtain the ticket they  
2 wanted from the primary ticketing service provider, and therefore needed to look for  
3 resale options instead.

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

18 (e) *Fifth*, demand for secondary ticketing services is not sensitive to  
19 changes in prices for primary ticketing services, because such changes do not cause  
20 secondary purchasers to choose a different set of services. It is irrelevant to secondary  
21 ticket sellers and purchasers whether the prices primary purchasers pay for a venue's  
22 primary ticketing service provider (*i.e.*, the fees those primary ticket purchasers pay on  
23 top of a ticket's face value) change in any real way. What matters for the secondary  
24 market customers is that they have a service available to post and potentially find (and  
25 purchase) a resale ticket.

26 (f) *Sixth*, there are specialized vendors that are largely distinct between  
27 the primary and secondary ticketing service markets, and the platforms they provide are  
28 substantially different, depending on the ticketing service involved. For primary

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

10 62. In the secondary ticketing services for major concert venues market, which  
 11 is a distinct market for the same reason that primary ticketing services for major concert  
 12 venues is a distinct market (*see supra* pages 24-27), Ticketmaster has a very small  
 13 number of substantial competitors. On information and belief, along with  
 14 Ticketmaster, those few secondary ticketing service providers control the vast bulk of  
 15 the secondary ticketing services for major concert venues market, such that eliminating  
 16 them via the acts described herein would give Ticketmaster well over 70-80% of the  
 17 market.

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

21 63. As noted above, Ticketmaster provides both primary and secondary  
 22 ticketing services for major concert venues. Ticketmaster is unique, however, in that it  
 23 is the only ticketing services provider in the nation to have substantial share of both  
 24 markets. Most of Ticketmaster's ticketing service competitors for major concert venues  
 25 operate in one or the other market, and only a very small handful operate in both. For  
 26 the latter group, however, the few competitors in that category focus primarily on one  
 27 of the two relevant markets and have only a small presence in the other.



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

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

## 25 **B. Concert Promotion Services**

### 26 **i. Live Nation Entertainment is the unquestioned leader in** 27 **concert promotion services for major concert venues**

28           66. On information and belief, Live Nation Entertainment controls at least

1 60% of concert promotion services for major concert venues. AEG Live is Live Nation  
2 Entertainment's closest competitor, with roughly 20% of the market. Live Nation  
3 Entertainment, however, promotes the vast majority of the top grossing touring acts in  
4 the world (who tour almost exclusively at major concert venues), and it is the only  
5 promoter, national or regional, that has a direct corporate relationship with the nation's  
6 most dominant concert venue and artist presale ticketing service provider, Ticketmaster.

7 67. As discussed above, Live Nation Entertainment is the largest concert  
8 promoter in the nation and the world. Live Nation Entertainment has distinct  
9 competitive advantages as compared to AEG Live, the second largest concert promoter  
10 for major concert venues. Neither AEG Live nor any likely entrant to the concert  
11 promotion services market possesses the combination of attributes to prevent Live  
12 Nation Entertainment's selective exercise of market power over artists and major  
13 concert venues by the merged firm. New entry into the provision and sale of concert  
14 promotion services at the scale of Live Nation Entertainment is costly and time-  
15 consuming. Promoters for major concert venues must have the ability to provide  
16 substantial up-front payments to artists, and artists seeking to conduct a concert tour,  
17 particularly a national tour in the United States that includes major concert venues,  
18 require employees with the expertise, contacts, and business acumen to organize and  
19 promote such a tour (and with particularized knowledge of how to promote at such  
20 venues). Furthermore, given that a United States concert tour of major concert venues  
21 is specifically tied to the venues and regions in which it is conducted, and requires  
22 specialized knowledge and skills regarding those venues and regions (among other  
23 related factors), artists require that concert promotion services be provided in the  
24 United States by service personnel located in and throughout the United States. It  
25 would take a prospective new entrant a substantial investment of money and over  
26 multiple years to develop the combination of comparable characteristics necessary to  
27 compete with the merged firm in concert promotion services and, even then, there is no  
28 assurance that it could in any way reduce Live Nation Entertainment's market power.

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

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

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

23           71. Live Nation Entertainment's market power is also supported by current  
24 trends in the music industry. Whereas, in previous decades, revenues from recorded  
25 music were musicians' main source of income, with touring revenues providing a  
26 smaller income stream, those statistics have since reversed themselves. This reversal is  
27 largely due to the advent of modern music streaming and download technologies, and it  
28 requires artists to place much more emphasis on the touring portion of their careers.

1 This reality has greatly increased Live Nation Entertainment’s power and control over  
 2 the shape of artists’ careers, making them more reluctant than ever to defy Live Nation  
 3 Entertainment more broadly, including by selecting a different promoter and/or  
 4 planning tours that try to focus on non-Ticketmaster-controlled major concert venues  
 5 (to the extent that is possible, which, for tours in the United States, it is not). Indeed,  
 6 Mr. Rapino has admitted that artists today make “about 95%” of their income from live  
 7 music events and that Live Nation is now the “largest single financier” of artists  
 8 worldwide (more than record companies).

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

14 **ii. Live Nation Entertainment and Ticketmaster’s combined**  
 15 **dominance is unique in the live music industry**

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

26 74. Defendants’ unique position in the live music industry also creates  
 27 numerous entry barriers that protect and extend Ticketmaster’s dominance. Live  
 28 Nation Entertainment’s promotion and artist management businesses, for example,

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

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

19 **C. Relevant Geographic Market**

20 76. The United States is the relevant geographic scope of both ticketing  
21 service markets. Concert venue operators purchase primary ticketing services from  
22 their locations within the United States and look to United States-based service  
23 providers to provide the primary ticketing services for their shows. Similarly,  
24 secondary ticketing service providers provide platforms connecting purchasers  
25 throughout the United States. Furthermore, only ticketing service providers with one or  
26 more locations in the United States compete with each other for customers requiring  
27 ticketing services at concert venues in the United States or for United States-based  
28 concert tours.

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

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

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

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

79. Ticketmaster's original steps were as follows. First, it shifted who paid the  
 fees for a primary ticketing service provider's services. Before Ticketmaster, venues

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

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

21         81. One of the problems that Ticketmaster’s business practices—*i.e.*, up-front  
22 payments, plus kickbacks of a portion of fan-paid ticketing services fees, in exchange  
23 for long-term exclusive dealing contracts—is that they reduced competition between  
24 venues and incentivized those venues to enter into contracts with Ticketmaster to the  
25 detriment of live music fans, *even though* competing venues had already entered  
26 contracts with Ticketmaster. The reason for this is straightforward. Venues compete  
27 with each other to attract artists, because artists pay to rent the venue and bring fans to  
28 the venue, where they spend money on tickets, concessions, parking, etc. Typically,



1 venues would compete on price in order to make themselves more attractive to artists,  
2 such as by, among other things, offering lower ticketing fees for the artist's fans. By  
3 joining the Ticketmaster network of venues, however, the venue puts itself in the same  
4 category as its competitors and need not compete on price for ticketing fees, because its  
5 largest competitors (other comparable venues in the same region) are also part of  
6 Ticketmaster's network. Thus, Ticketmaster's web of long-term exclusive dealing  
7 contracts is largely self-reinforcing; major concert venues are coopted by its dominance  
8 and able to make the less consumer-friendly choice because they are sharing in  
9 Ticketmaster's monopoly profits (especially since Ticketmaster began allowing venues  
10 to help set ticketing fees for their shows).

11 82. For this reason, Ticketmaster's claim that a portion of Ticketmaster's  
12 contracts come up for bid each year has little to no effect on its continued dominance in  
13 the primary ticketing services market, nor the anticompetitive harm consumers suffer  
14 from Ticketmaster's exclusive dealing practices. All up-front bidding (*i.e.*, bidding  
15 between primary ticketing services providers) does in that scenario is transfer more of  
16 the profits from the eventual ticket sales to the venue; the bidding does not change the  
17 nature of the venues' incentives to join the Ticketmaster network, and does not create  
18 the serious risk that Ticketmaster will lose any real share of the market. After all, the  
19 only way a competing primary ticketing service provider could take any substantial  
20 market share away from Ticketmaster would be to be aware of every single instance in  
21 which venues throughout the nation put a contract up for bid, convince those venues to  
22 leave the Ticketmaster network, pay huge up-front fees to convince the venues to do so,  
23 charge similarly-monopolistic ticketing fees as Ticketmaster without the market power  
24 to do so, and then repeat this feat thousands upon thousands of times over the next five  
25 years. As Ticketmaster's over 100% annual renewal rate for exclusive venue deals  
26 demonstrates, this is simply not competitively possible.

27 83. Beyond the general self-reinforcing nature of Ticketmaster's exclusive  
28 dealing practices in primary ticketing services (*i.e.*, the carrot offered by its monopoly

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

15       84. The evidence of this rampant intimidation and anticompetitive coercion  
16 only recently came to light. On August 27, 2019, Senators Richard Blumenthal and  
17 Amy Klobuchar sent a letter to the head of the Department of Justice’s Antitrust  
18 Division regarding significant concerns they had related to the ticketing industry; in  
19 particular, with Defendants. Among other things, Senators Blumenthal and Klobuchar  
20 noted that the DOJ’s 2010 consent decree for the Live Nation Entertainment-  
21 Ticketmaster merger “imposed behavioral conditions to prevent Ticketmaster from  
22 using its dominance to stifle new competitors,” including “prohibit[ing Defendants]  
23 from withholding concerts that Live Nation promotes or concerts by artists that Live  
24 Nation manages from venues that use a competitor’s ticket platform.” The Senators  
25 observed that, at the time of the merger, “many experts were skeptical that the merger  
26 conditions were sufficient to create a competitive market,” and, importantly for this  
27 Complaint, recent evidence indicated that “the skeptics’ fears have proven correct.”  
28 The letter then went on to report that the Senators were “deeply disturbed by reports

1 that Ticketmaster has violated the behavioral conditions by retaliating against venues  
2 that use a competing ticket platform.”

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

18 86. In late September 2019, the head of the Department of Justice’s Antitrust  
19 Division confirmed to the Senate Antitrust Subcommittee that the Department was  
20 currently “examining allegations of violations” of the consent decree, although he did  
21 not elaborate regarding specifics at that time. Next, on December 13, 2019, the *Wall*  
22 *Street Journal* reported that “[t]he Justice Department is preparing to take legal action  
23 against Live Nation Entertainment Inc. on allegations the company has sought to  
24 strong-arm concert venues into using its Ticketmaster subsidiary.” As reported, “[t]he  
25 department believes the concert-promotion giant’s conduct has violated the merger  
26 settlement Live Nation and the dominant ticket seller reached with the government in  
27 2010.” Then, on December 19, 2019, the DOJ itself issued a press release stating that  
28 “[d]espite the prohibitions in the Final Judgment, Live Nation repeatedly and over the

1 course of several years engaged in conduct that, in the Department's view, violated the  
2 Final Judgment." DOJ accordingly moved for an amendment to the consent decree that  
3 extended the decree for five and a half years and clarified several acts that directly  
4 violate its terms. As part of the deal resolving this enforcement action, Defendants also  
5 agreed to an independent monitor and that any violation warranted an automatic  
6 \$1,000,000 per violation fine.

7 87. In the DOJ's recent motion to amend Defendants' 2010 consent decree, it  
8 included several examples of Defendants' wrongful, anticompetitive conduct. These  
9 examples include:

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

20 (b) In another instance, an arena venue switched from Ticketmaster to a  
21 competing ticketing service provider. Immediately after learning that the venue had  
22 switched ticketing service provider, Ticketmaster's President contacted the local Live  
23 Nation President responsible for placing concerts in the region to suggest that Live  
24 Nation book more shows at the venue's nearby rival venue. In the two years following  
25 the venue's move to a Ticketmaster competitor for primary ticketing, Live Nation  
26 significantly reduced the number of shows promoted at the venue in retaliation.

27 (c) In 2017, Live Nation threatened to withhold concerts from a venue  
28 if that venue did not contract with Ticketmaster, and then refused to book concerts at

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

19 (d) Also in 2017, another venue evaluated offers for primary ticketing  
20 services from Ticketmaster and several competitors. When the venue informed Live  
21 Nation that it was planning to choose Ticketmaster’s competitor, Ticketmaster’s Vice  
22 President for Client Development threatened to withhold all Live Nation concerts from  
23 the venue if it did not renew its contract with Ticketmaster. The Ticketmaster VP told  
24 the venue that “if you move in that direction, you won’t see any Live Nation shows.”  
25 Ticketmaster’s Executive Vice President and Co-Head of Sports for NBA and NHL  
26 Arenas made a similar threat to the venue, telling it that Live Nation’s CEO would  
27 never put one of his shows on sale through that particular Ticketmaster competitor.  
28 Despite Defendants’ threats, the venue initially selected a Ticketmaster competitor as

1 its primary ticketing provider. Before that ticketing decision, Live Nation and the  
2 venue discussed potential bookings approximately once per week. But when the venue  
3 opted to go with Ticketmaster's competitor, Live Nation stopped contacting the arena  
4 about any possible concerts or booking shows at the venue. For unrelated reasons, one  
5 month later, the venue agreed to contract with Ticketmaster. Immediately thereafter,  
6 Live Nation began to get "geared back up" to bring concerts to the venue, because the  
7 venue was "back in the family."

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

20 (f) In yet another instance, Defendants threatened to blacklist a certain  
21 venue from all future Live Nation shows after the venue decided to contract with  
22 Ticketmaster's competitor for primary ticketing services. According to the venue's  
23 executive, Ticketmaster's President warned the executive that if the venue went with a  
24 competing ticketing service provider, Ticketmaster's response "would be 'nuclear'" and  
25 "though he would deny it if I repeated it, Live Nation would never do a show in our  
26 building, that they would find other places for their content . . . ." Following a  
27 conversation with Ticketmaster's President, a second executive from the venue reported  
28 that Ticketmaster and Live Nation "will not do any business whatsoever with our

1 stadium” and that Ticketmaster was “drawing a line in the sand and picking this as their  
2 ‘hill to die on.’” The venue executive went on to state his understanding that the venue  
3 was “now on ‘the black list.’”

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

21 89. Regardless of any effects the DOJ’s recent enforcement action and  
22 extension to the consent decree *may* have on future competition in ticketing (which  
23 unfortunately remains to be seen), the damage has already been done and Defendants  
24 have, through their anticompetitive conduct, extended and maintained Ticketmaster’s  
25 monopoly power for years. That conduct damaged Plaintiffs and the putative classes  
26 through, *inter alia*, supracompetitive fees Ticketmaster has been able to charge on all  
27 ticket purchases through its platforms since the two companies merged.



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

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

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

92. Many states have enacted laws ensuring that ticket purchasers may resell their tickets, and secondary ticket sale platforms exist today because there is substantial demand for secondary ticketing services. Until Defendants' actions described herein,

1 there was robust competition between secondary ticketing services providers, which  
2 benefited consumers to the extent they needed or wanted to purchase secondary tickets.

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

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

19 95. Ticketmaster first entered the secondary ticketing services market by  
20 acquiring preexisting secondary ticketing service providers. It then kept the platforms  
21 separate from its primary ticket site for several years. More recently, however,  
22 Defendants integrated those secondary ticketing service providers into Ticketmaster's  
23 broader online platform, such that consumers can now purchase primary *or* secondary  
24 tickets off of Ticketmaster.com or the Ticketmaster mobile app, and may not even  
25 know if they are purchasing a primary or secondary ticket at the time of sale.

26 96. Given the PR problems from publicly embracing ticket brokers and other  
27 entities whose business is purchasing and reselling tickets at a markup, Defendants  
28 have claimed over the years that they are taking efforts to stifle broker behavior. One

1 of the primary ways Defendants do so is through the “conditional license” Ticketmaster  
2 grants to users of its website and/or mobile app. The conditional license allows users to  
3 view Ticketmaster’s site and access its contents only if they agree to a bevy of  
4 restrictions that prevent brokers from purchasing tickets from Ticketmaster and then  
5 reselling them on rival secondary ticketing platforms. As one example, the conditional  
6 license prevents users from refreshing Ticketmaster’s ticketing pages “more than once  
7 during any three second interval.” The conditional license also restricts the use of  
8 “ticket bot technology,” which makes it more difficult for brokers to engage in bulk  
9 purchases of tickets. The conditional license contains many similar terms as well, and  
10 Ticketmaster claims elsewhere that it will put brokers to the back of the electronic line  
11 if it spots them in the queue.

12       97. Defendants claim this conditional license is pro-consumer, but the truth is  
13 that it is simply one more tool Defendants use to effectuate their broader  
14 anticompetitive scheme. As publicly reported earlier in 2019, Ticketmaster, with Live  
15 Nation Entertainment’s direction and support, regularly sets aside primary tickets for  
16 ticket brokers, so those brokers can purchase and then resell those tickets. Defendants  
17 accomplish this goal through “ticket banks” that are ostensibly for presale tickets and  
18 ticket “holds” (*i.e.*, allotments of the total tickets “held” aside from the general sale for  
19 industry insiders, such as artists, agents, venues, promoters, marketing departments,  
20 record labels, and sponsors). The ticket banks have neutral names so as not to trigger  
21 fan suspicion, but the ticket banks (and the tickets placed into them) are really for the  
22 brokers. In this way, Ticketmaster is able to bolster its relationship with ticket brokers  
23 and maximize primary ticket sales while also growing its secondary ticketing service  
24 business. As a recent investigation by the New York Attorney General revealed, tickets  
25 set aside for holds and presales can often exceed 50% of the total tickets for a concert

26       98. Ticketmaster’s conditional license plays into this scheme by acting as the  
27 sword Ticketmaster wields against ticket brokers if they do not agree to its  
28 anticompetitive demands. Put simply, Ticketmaster will allocate primary tickets for a

1 broker to a ticket bank *if* that broker agrees it will resell its tickets through  
2 Ticketmaster's secondary ticket platform. If the broker does not agree, then  
3 Ticketmaster will use the conditional license to try to keep the broker off its platform.  
4 It is able to do so with impunity because of the power Ticketmaster holds over the  
5 supply of primary tickets at major concert venues, and because Live Nation  
6 Entertainment, as the dominant concert promoter in the nation, controls the vast bulk of  
7 major concert tours. Faced with this potent combination, ticket brokers seeking to  
8 resell major concert venue seats have no other choice but to use Ticketmaster's  
9 secondary ticketing services, even though Ticketmaster is not as attractive a platform  
10 for secondary sellers as Ticketmaster's competitors. On information and belief,  
11 examples of brokers that have agreed to this setup include DTI, Dynasty, and  
12 Eventellect.

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

24       100. Due to the rise of smartphone usage, many primary ticketing service  
25 providers (including, of course, Defendants) have developed electronic ticket  
26  
27  
28

1 technology.<sup>6</sup> Primary purchasers receive an email with a link to their mobile ticket, or  
2 receive the ticket directly on a smartphone application the primary ticketing service  
3 provider creates and provides. That mobile ticket usually includes a QR or other type  
4 of electronic code that attendants at an event scan to permit the purchaser to enter.

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

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

24 103. Defendants ostensibly advertise SafeTix as "encrypted mobile tickets built  
25 with leading-edge technology" that "come standard with powerful fraud and counterfeit  
26

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27 <sup>6</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 protection.” They “are powered by a new and unique barcode that automatically  
 2 refreshes every few seconds so it cannot be stolen or copied, keeping your tickets safe  
 3 and secure.” The tickets are only available on Ticketmaster’s smartphone application.  
 4 A SafeTix ticket holder supposedly can transfer some or all of their tickets to someone  
 5 else “[i]n just a few taps” of their smartphone. The technology also “ma[kes] it a snap  
 6 to sell your tickets on the world's largest marketplace [*i.e.*, Ticketmaster’s secondary  
 7 ticketing platform] in a few taps.”

8 104. Similar to the conditional license, however, Defendants use SafeTix (and  
 9 its functional predecessors) for anticompetitive, rather than procompetitive, purposes.  
 10 Primary ticket purchasers typically purchaser their tickets with the understanding that  
 11 they can resell their tickets wherever and however they want. Using typical practices,  
 12 they can transfer their tickets electronically after selling through a different secondary  
 13 ticketing platform. But SafeTix primary purchasers often find only after the fact that  
 14 they cannot transfer their tickets in this manner. As Defendants themselves admit, the  
 15 only way to know if one can transfer their tickets is if they “look for the ‘Transfer  
 16 Tickets’ button on your order [*i.e.*, after the purchase]. If transfer is not available, the  
 17 button will not be there.” As public reports demonstrate, in some instances, primary  
 18 purchasers had no advance notice of this limitation on their transferability.<sup>7</sup> In other  
 19 instances, primary purchasers did receive advance notice of non-transferability, but they  
 20 were conveniently only allowed to resell their tickets through Ticketmaster’s secondary  
 21 ticketing platform.<sup>8</sup>

22 105. Competing secondary ticketing service providers, as well as a competitive  
 23 secondary ticketing marketplace, require a free-flowing supply of primary tickets.  
 24

25 <sup>7</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>8</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 Without a supply of primary tickets to list on their platforms, such secondary ticketing  
2 service providers simply cannot compete. Furthermore, competing secondary ticketing  
3 service providers have no ability to circumvent the technological limits Defendants  
4 have increasingly placed on primary ticket transferability.

5 106. Defendants' use of the conditional license to force secondary resellers to  
6 use Ticketmaster's platform, as well as their limitations on primary ticket  
7 transferability, have had anticompetitive effects for both primary and secondary  
8 ticketing services. Among other effects, one effect is to grow Ticketmaster's secondary  
9 ticketing service business at the expense of its rivals (which provide the competing  
10 secondary ticket platforms on which brokers can opt to sell their purchased tickets).  
11 Another effect is to dramatically increase Ticketmaster's revenues by allowing it to  
12 levy fees on the second (and third, etc.) sale of the same ticket(s) it sold in the primary  
13 sale. Ticketmaster has steadily grown its secondary ticketing service business for years  
14 and today processes well over a billion dollars annually of secondary concert ticket  
15 sales at major concert venues. This growth has come at the expense of Ticketmaster's  
16 secondary ticketing service provider competitors, who have no ability to compete with  
17 Ticketmaster on the merits (although they struggle to do so). It also has come at the  
18 expense of consumers because, despite the fact that Ticketmaster's secondary ticketing  
19 service competitors for major concert venues charge consumers lower fees, Defendants  
20 have steadily grown Ticketmaster's secondary ticketing market share through the  
21 practices described herein, leading to ever more supracompetitive secondary ticketing  
22 fees for both primary and secondary ticketing services at major concert venues. That is  
23 a third effect of Defendants' conduct. This is discussed in further detail in the  
24 following Section, pages 48-55.

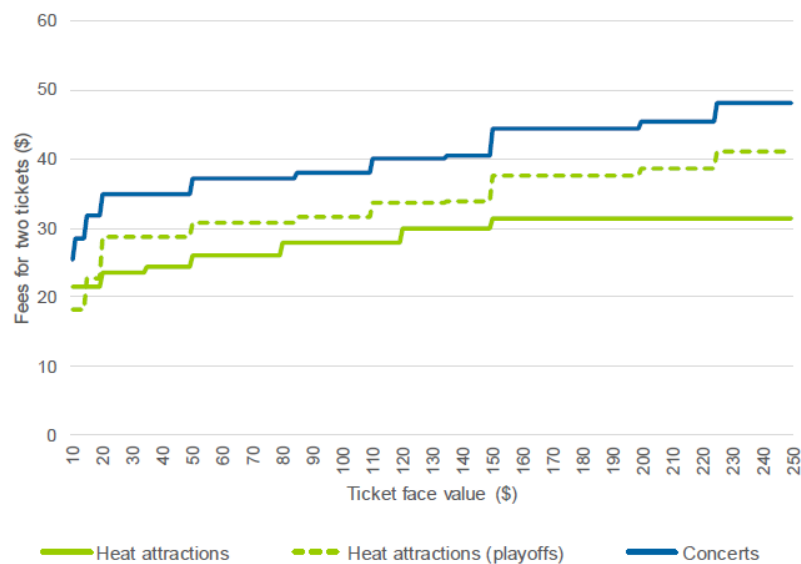
25 **Defendants' Acts Have Had Far-Reaching Anticompetitive Effects That**  
26 **Damaged Plaintiffs in Direct and Quantifiable Ways**

27 107. As a result of Defendants' anticompetitive conduct, Plaintiffs have paid  
28 anticompetitively-high fees on primary ticket purchases for years. Ticketmaster has



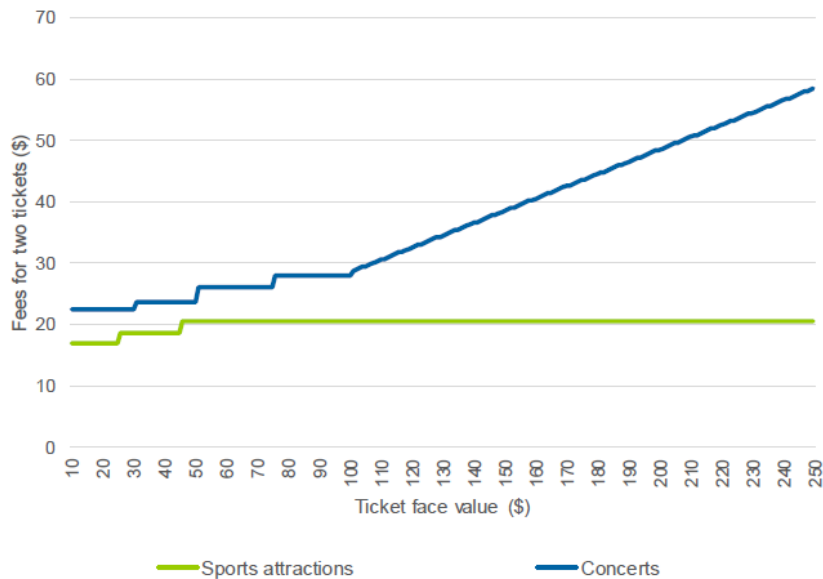
1 reduced competition for such services through the anticompetitive conduct described  
 2 above and therefore largely immunized itself from price competition on its ticketing  
 3 fees. Thus, consumers who would otherwise be able to obtain primary tickets at lower  
 4 overall cost must pay supracompetitive prices to obtain tickets from Ticketmaster, or  
 5 else not be able to obtain tickets at all in the primary market.

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



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

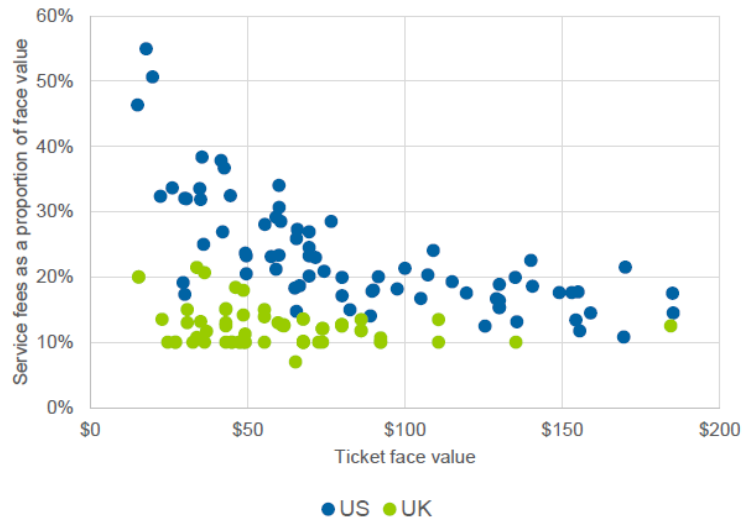
109. A similar pattern emerges at Philips Arena, Atlanta, which has a similar  
 separation between Ticketmaster's exclusivity over primary ticketing for live music  
 events, and its lack of exclusivity over sporting events:



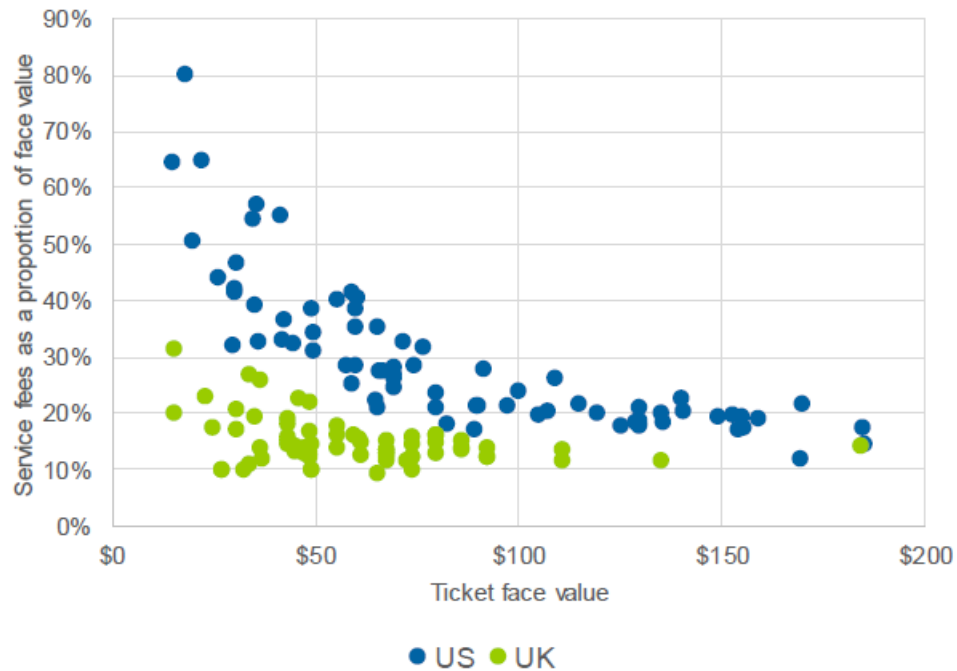
Source: Ticketmaster, "Licensed User Agreement," Jul. 11, 2011, 50 (TM00000243 at -289-291).

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

110. But one need not only look to the United States for proof that Ticketmaster's exclusive dealing in primary ticketing services for major concert venues has anticompetitively raised fees for primary ticket purchasers. The United Kingdom is an example of a geographic market in which no one provider has extensive exclusive deals for primary ticketing services. In that country, it is very rare for a single provider to conduct all primary ticketing services at a venue; instead, the venue typically selects a provider for a portion of primary ticketing sales, and then others involved with the show (*e.g.*, the promoter, artist, etc.) each may select their own primary ticketing service provider(s) for a portion of the tickets. Ticketing service providers therefore compete with each other, including by offering lower fees for fans. As the data show, ticketing fees in the U.S. (under Ticketmaster's exclusive dealing dominance) are invariably higher than the fees for tickets with the same face value in the U.K.):



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.

111. As noted herein, however, Defendants' scheme does not just harm competition in primary ticketing services for major concert venues; they have also

1 harmed (and continue to attempt to harm) competition in the secondary ticketing  
2 services market. For those consumers in the Secondary Ticketing Services Consumer  
3 Class (defined below), they are harmed by having to pay inflated secondary ticketing  
4 fees when purchasing from Ticketmaster rather than competitors. The fees  
5 Ticketmaster charges secondary ticket purchasers are, on average, significantly higher  
6 than its competitors' secondary ticketing fees. This fact is important because, all else  
7 being equal, secondary ticket resellers would ordinarily be incentivized to resell tickets  
8 wherever consumers would incur the lowest fees, because that increases demand for  
9 ticket resales given that the platform in question is less expensive for purchasers. In  
10 other words, if seller fees are either the same or roughly equivalent, then secondary  
11 ticket platforms that are cheaper for purchasers are better for the resellers.

12 112. These economic incentives are important because Ticketmaster's  
13 secondary ticket reseller fees are either the same or *higher* than competitors' fees,  
14 making the secondary ticket transaction either neutral or *worse* for resellers if they use  
15 Ticketmaster's platforms as opposed to its competitors' platforms. Given this fact, the  
16 focus then moves to purchasers. Ticketmaster's competitors all charge *lower* fees to  
17 secondary ticket purchasers than Ticketmaster. The following chart shows this fact;  
18 Ticketmaster's largest secondary ticketing service competitors all charge purchasers  
19 lower fees on each transaction:  
20  
21  
22  
23  
24  
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28

Secondary Ticker	Buyer Fees <sup>9</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.

113. 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>9</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           114. 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           115. 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>10</sup>  
26

27           <sup>10</sup> The referenced study is Michael Waterson, *Independent Review of Consumer*  
28 *Protection Measures Concerning Online Secondary Ticketing Facilities*, a report

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

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

117. Plaintiffs did not discover and could not have discovered through the exercise of reasonable diligence the existence of the anticompetitive acts alleged herein prior to their disclosure in 2018, 2019, and 2020.

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

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

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

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

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 2015-19 that, “Competition in the live  
2 entertainment industry is intense. We believe that we compete primarily on the basis of  
3 our ability to deliver quality music events, sell tickets and provide enhanced fan and  
4 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       120. 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       121. 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       122. 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.

9 123. 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**

14 124. 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.

24 125. 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.

3 126. 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.

7 127. 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.

10 128. 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.

13 129. 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.

18 130. 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.

21 131. 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.

24 132. 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:

27  
28

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

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

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

### **INTERSTATE TRADE AND COMMERCE**

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

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

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

13 137. 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.

17 138. 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.

22 139. 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.

26 140. 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

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

6 142. 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.

9 143. Defendants' arrangements cannot be circumvented.

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

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

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

15 147. 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

22 148. 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.

25 149. 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.

4 150. 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

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

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

13 153. 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.

16 154. 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.

19 155. 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.

23 156. 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

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

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

3           159. 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           160. Defendants' conduct has affected a not insubstantial amount of interstate  
7 commerce in the provision of primary ticketing services for major concert venues.

8           161. 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           162. 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           163. 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           164. 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           165. 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           166. 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.

1                   Vertically-arranged boycotts

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

4           168. 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           169. 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           170. 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           171. 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           172. 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           173. 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           174. Defendants' conduct has had a substantial effect on interstate commerce.

24           175. 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           176. Plaintiffs have been or will be injured in their property as a result of  
28 Defendants' conduct.

1 177. 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)**

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

9 179. 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.

14 180. 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.

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

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

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

3 184. 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.

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

7 186. 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.

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

12 188. 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)**

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

20 190. 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.

25 191. 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.

3 192. 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.

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

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

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

14 196. 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.

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

18 198. 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.

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

23 200. 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.

26 **PRAYER FOR RELIEF**

27 201. Wherefore, Plaintiffs request the following relief:

28 (a) Damages in an amount to be determined;



- 1 (b) Treble damages;  
2 (c) Attorneys' fees;  
3 (d) Costs;  
4 (e) Pre-judgment and post-judgment interest at the maximum rate  
5 permitted under the law;  
6 (f) Punitive damages;  
7 (g) Injunctive relief, including but not limited to an injunction  
8 barring Defendants' conduct alleged in the Complaint;  
9 (h) Declaratory relief, including but not limited to a declaration and  
10 judgment that Defendants' conduct alleged in the Complaint violates the laws  
11 alleged in the Complaint; and  
12 (i) Such other and further relief as the Court deems proper and just.

13 **DEMAND FOR JURY TRIAL**

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

16 DATED: April 28, 2020 QUINN EMANUEL URQUHART &  
17 SULLIVAN, LLP

18  
19 By /s/ Frederick A. Lorig

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