

September 20, 2019

The Honorable Bill Pascrell
United States House of Representatives
2409 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Richard Blumenthal
United States Senate
706 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Frank Pallone
United States House of Representatives
2107 Rayburn House Office Building
Washington, D.C. 20515

Dear Representative Pascrell, Chairman Pallone, and Senator Blumenthal,

The 8 undersigned consumer and public interest groups applaud your leadership in addressing a broken and opaque live event ticketing marketplace through the reintroduction of the Better Oversight of Secondary Sales and Accountability in Concert Ticketing Act of 2019 (“BOSS ACT”).

An absence of competition and transparency has resulted in a ticketing marketplace that is rigged against consumers. The industry practice of secret ticket holdbacks gives many fans a false hope that they will be able to attend their event at a price that is near the face value of a ticket. In reality, industry insiders hold back most “in demand” tickets;¹ many of which are then sold on the secondary market at a substantial markup. An investigation by the New York Attorney General revealed that less than half - only 46% - of tickets for concerts in New York are made available for sale to the general public.² Of the tickets that make it to the general on-

¹ Marco Chown Ovid and Robert Cribb. “Got Tickets to Saturday’s Bruno Mars Show? The guy sitting beside you may have paid hundreds of dollars less,” The Star. (Sept. 18, 2018). <https://www.thestar.com/news/investigations/2018/09/18/got-tickets-to-this-weekends-bruno-mars-show-heres-whythe-guy-sitting-beside-you-may-have-paid-hundreds-of-dollars-less.html>

²Eric T. Schneiderman. “Obstructed View: What’s Blocking New Yorkers from Getting Tickets,” Office of New York (State Attorney General) https://ag.ny.gov/pdfs/Ticket_Sales_Report.pdf

sale, many are scooped up by illegal ticket buying “bots” whose usage has increased by nearly 17% despite the passage of the Federal BOTS Act in 2016.³

If a consumer is lucky enough to find a website that has inventory, they may be duped into purchasing a ticket from a “white label” resale website, which can easily be confused with the website for the official box office. White label websites often charge much higher prices and may sell so-called “speculative” tickets. Such tickets are often sold by brokers who may or may not disclose that the ticket they are selling is not actually in the broker’s possession.

In the modern ticketing marketplace, fees vary widely depending on whether consumers are buying on the primary or secondary markets. This makes comparison-shopping difficult and creates consumer confusion. The Government Accountability Office (GAO) found that in the primary market, fees on average increased the price of a ticket by 27% above face value, with some fees adding as much as 58% to the price of a ticket. Likewise, the GAO found that in the secondary market, fees increased the cost of a ticket by an average of 31% and in some instances increased the cost of the ticket by 56%.⁴

Unfortunately for consumers, not only are these fees rarely disclosed upfront, but some vendors wait until well into the purchasing process to notify the consumer of mandatory fees.

Fortunately, the BOSS Act would restore power to consumers by addressing all these issues by:

- Requiring all-in pricing on the primary and secondary ticket markets, ending the practice of slamming consumers with hidden fees during high-pressure checkout processes;

³ “How bots affect ticketing,” Distil Networks. 2019. <https://resources.distilnetworks.com/whitepapers/bad-bots-and-ticketing>

⁴ U.S. Gov’t Accountability Office, GAO-18-347, Congressional Requesters: Event Ticket Sales Market Characteristics and Consumer Protection Issues (April 2018)

- Requiring primary ticket sellers to be honest about how many seats they plan on making available;
- Eliminating resale price floors which artificially inflate prices and saddle ticket holders with seats they cannot use or sell;
- Allowing fans to resell their tickets in the manner they choose;
- Prohibiting unethical scalpers from impersonating venues' and teams' websites to charge higher prices for less-desirable seats;
- Requiring the Federal Trade Commission (FTC) to identify ways to improve enforcement against illegal ticket buying bots.

Because of your leadership, consumers may once again be able to accurately comparison shop and more easily obtain tickets to the events they desire at the price they were promised. We wholeheartedly applaud your leadership in this area, and fully support your actions to fix the broken ticketing marketplace and empower consumers to make informed purchasing decisions.

Sincerely,

Consumer Action

Consumer Federation of America

Consumer Reports

National Association of Consumer Advocates

National Consumers League

Public Citizen

Sports Fans Coalition

U.S. PIRG