Date: February 6, 2023  
To: Interested Parties  
From: Jonathan Lamy, Senior Vice President, Public Affairs & Policy  

Re: Beyoncé On Sale and Ticketing Reforms  

On Wednesday, February 1st, Beyoncé announced the Renaissance tour, her first solo tour in more than six years. Beyoncé is one of the world’s biggest stars, and demand for the Renaissance tour is immense. To manage that demand, Beyoncé has chosen to work with Ticketmaster, using our Verified Fan tool to ensure that tickets are fairly allocated to real fans, not scalpers.

The purpose of this memo is to describe the additional steps Ticketmaster has taken to manage huge demand and try, to the extent possible, to limit the level of surprise from disappointed fans. And to use this on-sale as an example of the areas where Congress can and should require companies to do more to help the consumer navigate the process of ticket buying.

Live Nation and our team at Ticketmaster understand the immense interest in how this sale is conducted. And we are mindful of the concerns policymakers have expressed that these tickets be sold in as fair and transparent a way as possible. That is our goal as well.

Ticketmaster has staged the on-sale of the event by dividing the shows into multiple groups with separate sale dates to help manage the extraordinary demand for tickets.

Verified Fan registration began last Friday and closed on Sunday, February 5th. It is important to understand that fan demand exceeds the number of tickets available by more than 8x based on the registration numbers in virtually all the groups.

This is a complicated process so we want to be sure you have accurate information because the fact is, MANY fans will not be able to get tickets and will unfortunately be disappointed. Despite the fact that the artist has added more shows to each group of cities to try to accommodate the demand, it will still far exceed the available number of seats.

So, how will it work? Once a fan has registered for either Group A, B or C, a lottery-style process will be executed electronically to determine which registered Verified Fans receive a unique access code and which are put on the waitlist. Fans will receive an email update the day prior to the sale date with their purchasing status.

The registration period will be divided into three groups based on city:

- Registration Group A (Atlanta, GA; Chicago, IL; Houston, TX; Las Vegas, NV; Los Angeles, CA; New York, NY; Toronto, ON; Vancouver, BC; Washington, D.C.)
- Registration Group B (Boston, MA; Dallas, TX; Miami, FL; Minneapolis, MN; San Francisco, CA; Seattle, WA; Tampa, FL)
- Registration Group C (Charlotte, NC; Detroit, MI; Kansas City, MO; Louisville, KY; Nashville, TN; New Orleans, LA; Philadelphia, PA; Phoenix, AZ; Pittsburgh, PA; Saint Louis, MO)
CONGRESS SHOULD EMPOWER FANS AND ARTISTS AND REDUCE CONFUSION IN THE MARKETPLACE

Despite the extensive efforts Live Nation Entertainment is undertaking to support the transparent and fair distribution of tickets, a tour this popular reveals just how far bad actors will go to exploit fans’ enthusiasm and perpetuate misinformation. While it has invested vast resources, Live Nation Entertainment simply cannot stop speculative ticket sales, unclear pricing by third parties, and bots on its own. The live entertainment community needs Congress’ help to protect fans from confusion and exploitation.

1. CONGRESS SHOULD OUTLAW “SPECULATIVE TICKET SALES”

To be clear, not a single ticket for any North American stop on the Renaissance tour has yet been sold, but you wouldn’t know it if you checked the websites of StubHub, VividSeats, and SeatGeek. On those secondary sites, there is already a thriving market for Beyoncé tickets, with seats being offered for thousands of dollars over face value. At the end of this memo, Exhibit 1 highlights screenshots captured on February 1, the day the tour was announced. These are speculative tickets, an extremely deceptive practice in which deceitful sellers, enabled by resale sites, fool good-faith buyers into thinking that they can purchase tickets at a time when it is literally impossible to do so.

Sites like SeatGeek, StubHub, and VividSeats tacitly support this practice by establishing the “event pages” that you see in the screenshots for shows that have not yet had a primary sale, allowing speculative ticket sellers to list their fake wares. Once they’ve tricked eager buyers into handing over their very real money, the speculative sellers scramble to see how many of the promised tickets they can ultimately get their hands on to fulfill the sale, often turning to bots.

If they can fulfill the order, they pocket a huge profit, and if they can’t, they can simply refund the speculative purchase — it’s a no-risk scam. Whatever happens, the fan loses — either they get a ticket at $5,800 (to take, for example, the SeatGeek listing below) that the scalper acquires for a fraction of that price at the primary sale, or they get their money back but find out that they won’t be attending their dream show after all.

This practice is illegal in much of Europe, and it should be in the United States as well.

2. CONGRESS SHOULD MANDATE “ALL – IN PRICING”

The full price of a ticket including all fees should be available to the consumer before they put their purchase in their online shopping cart.

All-in pricing only works if there is a universal mandate for ALL ticketing marketplaces and real enforcement, otherwise ticket listings that hide fees until the end will seem cheaper than all-in listings, confusing consumers and costing them more money in the process. The state of New York recently enacted its own all-in pricing policy and while Ticketmaster has implemented reforms required by the new law, regrettably, there has been

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1 Rolling Stone found that “some of the best seats for Beyoncé’s So-Fi Stadium show in Los Angeles in September are speculatively selling for $3,064 per ticket on VividSeats. The cheapest nosebleeds were listed at $570. For Beyoncé’s Metlife show in July, some nosebleed seats were listed at over $600, with some lower bowl seats going for over $1,800 each.” Ethan Millman, “Beyoncé Tickets Aren’t on Sale Yet. Scalpers Are Trying to Sell Them for Thousands,” Rolling Stone (Feb. 2, 2023) (available at https://www.rollingstone.com/music/music-news/beyonce-tickets-scalpers-speculative-tickets-ticketmaster-stubhub-1234672209/).
minimal compliance of the law from some resale sites.²

3. CONGRESS SHOULD INCREASE PENALTIES FOR THE BOTS ACT

Let’s be clear, bots are the symptom, scalping is the disease. When scalpers and secondary re-sellers promote speculative tickets for sale, they are sourcing those sales from nefarious users of bot technology which “impersonate” individual ticket buyers to secure blocks of tickets.

Despite Ticketmaster being the only company that has invested money to fight bots and repeatedly approached the FTC to use its authority to stop bots, there has been virtually no enforcement. The fines are small. And there is no private right of action for Ticketmaster to pursue our own litigation against bot purveyors. Congress should increase the penalties to create more incentive for the FTC to protect consumers as well as give ticket sellers a private right of action to pursue remedies ourselves.

4. CONGRESS SHOULD ENSURE ARTISTS HAVE FULL CONTROL OVER HOW THEIR CONCERT TICKETS ARE SOLD

Artists should always have the ability to deploy technology and tools to keep tickets from being marked up by scalpers so that they can protect their fans from price gouging. To that point, Congress should protect an artist’s right to price and sell tickets how they deem best for their fans and encourage the use of technology to control costs and reduce fraud.

Please do not hesitate to contact me if you have any questions this week or anytime.

Sincerely,

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² Rolling Stone’s analysis found that “StubHub and Vivid Seats, for instance, initially list a lower price when buying tickets to events, but only show the cost with fees when a user clicks on the tickets before heading to check out…While SeatGeek immediately shows the all-in price on its website, on its mobile app, the company only shows fees immediately if customers turn the filter on, but that filter button isn’t visible without scrolling.” Ethan Millman, “Ticket-Scalping Sites Are Shirking New York’s Ticket Laws, Claims New York Lawmaker,” Rolling Stone (Nov. 7, 2022) (available at https://www.rollingstone.com/music/music-news/stubhub-seatgeek-vividseats-new-york-ticket-law-1234622885/)
EXHIBIT 1: Speculative Tickets

SeatGeek telling fans that $2,900 is a "Good Deal" for a speculative ticket to the Renaissance tour stop in Santa Clara:

SeatGeek telling fans that $5,800 is an "Amazing Deal" for a speculative ticket to the Renaissance tour stop in Los Angeles:
StubHub creating false urgency by deceptively telling consumers that only a couple hundred tickets remain for each show:

StubHub Speculative Listings for SoFi Stadium (Inglewood, CA) Tour Stop:

Address 1005 7th Street NW, Washington, D.C. 20001
Vivid Seats Speculative Listings for SoFi Stadium (Inglewood, CA) Tour Stop:

Address 1005 7th Street NW, Washington, D.C. 20001