

NATIONAL CONSUMERS LEAGUE

1701 K Street, NW, Suite 1200 Washington, DC 20006

Main: (202) 835-3323 Fax: (202) 835-0747 www.nclnet.org

March 13, 2025

The Honorable Nathan Sosa

Chair

Committee on Commerce and Consumer Protection

Oregon House of Representatives

900 Court Street, NE

Salem, OR 97301

RE: National Consumers League Urges Preservation of Event Ticket Ownership Rights in HB 3167

Dear Chair Sosa,

On behalf of the National Consumers League ("NCL") and live event fans in Oregon, I am writing to express NCL's support for the goals of HB 3167¹ and to urge the committee to preserve the rights of live event fans to benefit from a competitive ticket marketplace.

Specifically, we are concerned that amendment -3, which is currently under consideration, would allow Live Nation-Ticketmaster to further entrench its monopoly position in Oregon's live event marketplace. We urge you and your colleagues on the Commerce and Consumer Protection Committee to instead preserve the ticket transferability protections in lines 30-39 on pg. 3 (Sec. 4(a)-4(c)) of the bill as originally introduced.

¹ Online: https://olis.oregonlegislature.gov/liz/2025R1/Downloads/MeasureDocument/HB3167/Introduced

² Online: https://olis.oregonlegislature.gov/liz/2025R1/Downloads/ProposedAmendment/26711

Preserving the transferability protections in the introduced bill would be consistent with the position Oregon Attorney General Ellen Rosenblum took last May when she joined the U.S. Department of Justice (DOJ), and 29 other state Attorneys General in suing Live Nation Entertainment (the parent company of Ticketmaster).³ The suit alleges that Live Nation illegally monopolized the live event marketplace and harmed consumers, venues, and artists. By eliminating the transferability protections in Sec. 4(a)-4(c), amendment -3 would allow Live Nation-Ticketmaster to continue to engage in precisely the sort of anti-competitive conduct that the DOJ and General Rosenblum's suit seeks to correct.

Absent the transferability protections included in the introduced version of HB 3167, Live Nation-Ticketmaster will continue to employ it "SafeTix" technology, which limits ticket transfer and resale to Ticketmaster's own resale platform, preventing fans from benefiting from competition by competing resale marketplaces. As the DOJ's complaint notes:

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

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

³ Oregon Department of Justice. "Oregon Joins Federal Antitrust Lawsuit Against Live Nation," Press release. (May 23, 2024) Online: https://www.doj.state.or.us/media-home/news-media-releases/oregon-joins-federal-antitrust-lawsuit-against-live-nation/

⁴ United States v. Live Nation Entertainment, Inc. & Ticketmaster L.L.C., No. 1:24-cv-03973 (S.D.N.Y. Aug. 19, 2024). Pg. 46. Retrieved from https://www.justice.gov/archives/opa/media/1364366/dl?inline.

"In addition to inserting Ticketmaster as an intermediary into secondary ticket transfers and transactions, SafeTix has also fortified Live Nation's data advantages over its rivals. According to internal documents, SafeTix was expected to grow the 'size/value of the TM database,' already by far the largest of any ticketer, by as much as 30 to 40%. As Live Nation's CEO put it, '[o]ne of the advantages we've launched under the transfer strategy is we now not only know the person that bought the ticket, but we're going to know those three people that you are taking to the show, which we have not known historically.' Live Nation can monetize this unique trove of data in its various businesses to both increase its bottom line and further entrench its positions across the live entertainment industry."5

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

Sincerely,

John Breyault

Vice President, Public Policy, Telecommunications, and Fraud

National Consumers League

Mr. Ryste

Email: johnb@nclnet.org

⁵ *Ibid. Pg. 47*.