Press release: Secondary ticketing sites pledge overhaul

StubHub, GETMEIN! and Seatwave have formally committed to ensuring better information will be given about tickets being resold through their platforms. This builds on changes they had already made during the course of the Competition and Markets Authority's (CMA) investigation, and will help people to decide whether buying a ticket is worthwhile, as well as pick the best deal for them.

The sites will make clear:

- whether there is a risk a customer might be turned away at the door
- which seat in the venue the customer will get
- who is selling the ticket, so customers can benefit from enhanced legal rights when buying from a business

To ensure people can easily find this vital information, the 3 platforms will make significant changes to the way they gather and display it. They will make it mandatory for sellers to provide this information when listing a ticket, routinely carry out their own checks on primary ticket sellers' websites about resale restrictions, and act promptly if event organisers tell them information is missing.

The CMA also raised the same concerns about how information is provided to customers with a fourth platform, viagogo, along with other issues, including a historic failure to comply with a commitment given in 2015. However, this platform has not, currently, agreed to make changes the CMA considers necessary. Therefore, the CMA has notified them it will take action through the courts, unless they promptly commit to satisfactorily addressing its concerns.

Michael Grenfell, the CMA's Executive Director for Enforcement, said:

Thousands of people use secondary ticketing websites to buy tickets for concerts, theatre and other events. So it's crucial they are told what they are buying, from whom they are buying it, and whether their ticket might not actually get them into the event.

We welcome the changes already made and new commitments we've been given by StubHub, Seatwave and GETMEIN! to improve the information on offer, so that people can better judge whether they're getting a good deal.

But all secondary ticketing websites must play by the rules and treat their customers fairly if anything goes wrong. We take failure to comply with consumer protection law very seriously.

So far viagogo has failed to address our concerns, and we are

determined to ensure they comply with the law. We are prepared to use the full range of our powers to protect customers — including action through the courts.

The CMA's enforcement action, launched late last year, followed a thorough investigation into the sector which identified concerns that consumers who used StubHub, GETMEIN!, Seatwave and viagogo were not being told:

- about restrictions on using a resold ticket, that had the potential to lead to a buyer being denied access to an event
- where exactly in a venue they would be seated
- the identity of the sellers they are buying from for example whether the seller was a business and/or connected to an event organiser

As part of this investigation, the CMA also raised a number of other concerns with viagogo, including:

- a historic failure to fully comply with a formal commitment given to the CMA in 2015 to make its customers aware of the face value of tickets
- making statements about the availability and popularity of tickets on its website which had the potential to mislead consumers or rush them into making a buying decision
- problems encountered by its customers in getting their money back under the guarantee
- businesses advertising tickets for sale on the website that they do not yet own and therefore may not be able to supply

The CMA continues to work closely with partner agencies and enforcers working in this field, including:

- the Advertising Standards Authority which recently took action against StubHub, GETMEIN!, Seatwave and viagogo — banning the misleading presentation of pricing information on their websites
- National Trading Standards (NTS) and Trading Standards Scotland which are examining the practices of businesses that buy and sell tickets in bulk. In NTS's case this includes looking at how these businesses acquire tickets

Notes for editors

- 1. On 19 December 2016, <u>the CMA opened an investigation</u> into suspected breaches of consumer protection law in the online secondary ticketing market.
- 2. On 28 November 2017, the CMA announced that it would take enforcement action against a number of secondary ticketing websites suspected of breaking consumer protection law. The CMA raised its concerns with these websites and requested that they take action to address these. Ultimately, only a court can rule that a particular practice infringes the law.

- 3. Today's announcement follows on from this work. The three platforms StubHub, GETMEIN! and Seatwave had already made some changes to address concerns during the course of the CMA's investigation. Today's announcement details formal undertakings given to build on these changes. These will be made over the coming months.
- 4. With regards to the historic undertaking referenced, the CMA announced in March 2015, following an earlier investigation, that viagogo along with the other 3 main secondary ticketing platforms had provided an undertaking to improve its practices. This included a commitment to provide information to buyers on the face value of tickets (which may be different from the price the ticket is available for through the secondary ticketing platform).
- 5. The CMA plans to produce further materials that will be helpful to the primary market including information about steps that the primary market can take to ensure that key information about access to their events is disclosed, and steps that the primary market can take in order to prevent consumers losing out if they use resale restrictions. The CMA published its initial view on these issues in November 2017 and has received useful feedback from the industry on its proposed approach.
- 6. The CMA also plans to publish additional information that will explain, in the light of our recent enforcement action, what all secondary ticket websites including those not under investigation need to do to comply with the law.
- 7. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For CMA updates, follow us on Twitter, LinkedIn and Facebook.
- 8. The key pieces of consumer protection legislation relevant to the CMA's investigation are the Consumer Rights Act 2015, the Consumer Contracts Regulations 2013, the Consumer Protection from Unfair Trading Regulations 2008 and the Electronic Commerce (EC Directive) Regulations 2002.
- 9. As an enforcer under Part 8 of the Enterprise Act 2002, the CMA cannot impose fines on businesses but it can enforce the above legislation through the courts, and where appropriate, obtain additional measures to improve consumer choice, drive better compliance with the law, or obtain redress for consumers.
- 10. Media enquiries should be directed to press@cma.gsi.gov.uk or 020 3738

11. Other (non-media) enquiries should be directed to general.enquiries@cma.gsi.gov.uk.