Follow Up Questions For Irving Azoff from Hearing Entitled "The Ticketmaster/Live Nation Merger: What Does It Mean for Consumers and the Future of The Concert Business?"

From Senator Kohl

REQUEST NO. 1:

1. Mr. Azoff, as you well know, thousands of consumers were outraged recently when they tried to buy tickets to the new Bruce Springsteen tour. Fans who tried to buy tickets to concerts in New York and New Jersey on the Ticketmaster web site were redirected to the web site of its subsidiary ticket resaler, TicketsNow.com, where tickets were sold at double or triple or even higher their face value, plus a hefty service charge. Angry fans accused Ticketmaster of diverting tickets to Ticketsnow-dot-com.

(a) On February 23, 2009, Ticketmaster reached a settlement with the New Jersey Attorney General's Office in which it pledged, among other things, "not to allow the sale or offer of any tickets on TicketsNow.com re-selling website until the initial sale begins on its primary website." Yet since that date there have been questions about whether that promise has been carried out with respect to other concerts. On February 25, the Los Angeles Times reported that tickets for a No Doubt concert in Irvine, California were found on Tickets.now's website at mark-up prices well ahead of the date they were to be sold on Ticketmaster (March 7). Tickets were also allegedly available for a Leonard Cohen concert in Canada on TicketsNow.com in advance of their sale on Ticketmaster.

What assurance can you give us that your settlement with the New Jersey Attorney General's Office will be fully carried out by Ticketmaster? Why are these problems with advance sales on TicketsNow.com apparently continuing to occur?

(b) After the sale Springsteen incident you apologized, and stated that "we recognize we need to change our course". What did you mean? How will you change course?

RESPONSE TO REQUEST NO. 1:

(a) Ticketmaster did not redirect anyone from its clients' primary ticket inventory to the TicketsNow secondary marketplace during the February 2, 2009 Springsteen on-sales. Indeed, Ticketmaster has never "redirected" consumers from Ticketmaster's primary ticketing website to TicketsNow for any sales where we handle the primary ticketing. Rather, during the February 2, 2009 Springsteen on-sales that we ticketed, when consumers' specific ticket requests could not be fulfilled in the primary on-sale through Ticketmaster.com, they were given the option to: (1) search for tickets again on Ticketmaster's primary ticket website (with a recommendation that they broaden their search by requesting any seats available in the house, or request fewer tickets); (2) return to Ticketmaster's primary ticket website later; or (3) navigate to the TicketsNow website.

Moreover, even before Ticketmaster began discussions with the New Jersey Attorney General, we took voluntary action to address the issues that consumers experienced during the

Springsteen on-sales. For example, even though we believe we did nothing wrong, we removed the links between Ticketmaster's No Tickets Found ("NTF") page and TicketsNow. Additionally, effective February 5, TicketsNow announced a policy that it would no longer accept ticket postings for events that had not yet gone on-sale on Ticketmaster.com. Ticketmaster has urged other ticket resellers to adopt the same consumer-friendly position. The No Doubt and Leonard Cohen pre-listings referred to above were instances of third party resellers who ignored our directive after we announced our policy but before we were able to fully implement protective measures on the TicketsNow website.

As you suggest, in addition to the voluntary action we had already taken, Ticketmaster also agreed to undertake further remedial action pursuant to our agreement with the New Jersey Attorney General's Office. For example, we have agreed:

- to use best efforts to ensure that all users of our TicketsNow website refrain from posting tickets for events that have not yet gone on-sale on Ticketmaster.com;

- that prior to providing any link from its NTF Internet page to its TicketsNow re-sale website (which will not take place for at least one year from the date of the AVC), Ticketmaster will first obtain the approval of the New Jersey Attorney General's office as to the exact disclosure language, architecture and functionality of a proposed linkage between Ticketmaster's website for primary ticketing and its TicketsNow resale website;

- to work cooperatively with the State of New Jersey to agree on appropriate disclosure language and a method of linkage that clearly and conspicuously discloses to consumers information sufficient to make an informed purchase of resale tickets;

- that we would not engage in paid Internet search advertising that would lead consumers searching for "Ticketmaster" on Internet search engines to its TicketsNow resale site (located at www.ticketsnow.com); and

- to use best efforts to ensure that the error message that was inadvertently presented to certain customers on February 2, 2009 is not generated in the future, unless such message accurately states the nature of the error.

Furthermore, Ticketmaster also represented to both the New Jersey Attorney General and to its consumers, that it has always made available for sale to the general public, and will continue to make available for sale to the general public, via its website for primary ticketing, all tickets that its clients provide it for such purpose. We have pledged that we will not present an option to go to TicketsNow from Ticketmaster.com without the consent of the artist and the venue, and we have promised to never again link to TicketsNow in a manner that could possibly create any confusion during a high-demand on-sale. We are committed and are doing everything within our power to prevent the listing of tickets on TicketsNow before those tickets are made available to the general public during an on-sale on Ticketmaster.com. We implemented this policy a few days after the Springsteen on-sale, and while that implementation did not result in the immediate system-wide elimination of ticket pre-listings due to the many third-party sellers who disregarded our policy (thus explaining why there remained some advance selling on TicketsNow after the policy was announced), we dedicated significant additional resources in the days after the policy was announced to manually strip out all advance selling on the TicketsNow web site. We are an industry leader in this regard, and we have invited our reseller competitors to meet this higher standard as well. To that end, we have successfully backed recent legislation in Arkansas (SB966) which prevents the listing of tickets on secondary websites before the date and time of the initial on-sale for the event, and we are currently supporting similar legislative measures in Minnesota and Florida. By contrast, eBay and other competitors have opposed this legislation.

Finally, as discussed below, with respect to the technology malfunction that occurred on February 2, 2009, affecting the three New York and New Jersey Springsteen shows, we are working hard to ensure that such a technology malfunction does not occur in the future. Specifically, our product and engineering team: (1) is reviewing all of its procedures; (2) promises to be more diligent in reviewing code and related requirements in the future; and (3) has pledged to improve internal communications concerning code requirements in the future. Our lifeblood as a company depends on our ability to deliver reliable and indeed, superior service to our clients and consumers. Thus, we intend to make good on these promises.

(b) In my “Open Letter of Apology to Bruce Springsteen,” I explained that Ticketmaster was genuinely trying to do the right thing for fans by providing a link to TicketsNow in addition to the other options available when the specific tickets they requested during the primary on-sale were not available. However, fans’ reaction to this effort reflected that Ticketmaster’s efforts produced the opposite result of what we were trying to achieve. Accordingly, to prevent this type of issue from occurring in the future, I acknowledged that the company would need to “change . . . course.” In other words, we would still pursue our mission of providing fans with the best selection of seats available to the general public, and the most user-friendly purchasing experience possible, but we would do so in a manner that ensures consumers have a great experience purchasing online through Ticketmaster.

REQUEST NO. 2:

2. At the hearing Mr. Rapino stated that independent concert promoters had a valid concern regarding the possibility that, after the merger, ticketing information collected by ticketing business of Live Nation (the former Ticketmaster)—information like the demographics of the audience attending concerts, ticket sales, pricing, e-mail addresses and the like—could be shared with the concert promotion business of Live Nation. He further stated it would desirable that this information not be shared in this manner. Do you agree with Mr. Rapino in this regard?

(a) Would you agree to some sort of “firewall” to protect the information Ticketmaster gains about concerts from being shared outside of the ticketing part of the combined Live Nation/Ticketmaster company? Would you agree to this “firewall” as part of a consent decree with the Justice Department as a condition of the merger being approved?

RESPONSE TO REQUEST NO. 2:

In the hearing, Mr. Rapino made the statement that, from his perspective, there “would be no reason [for the combined company] to share” ticketing division data for events promoted by companies in competition with Live Nation’s promotions business. We agree that as a general matter, there would be no reason to share such data. In principle, we also are not opposed to a firewall; however, we believe that the decision to share client-specific confidential data concerning ticket sales is best left to each individual client. Accordingly, Ticketmaster's confidentiality obligations to its clients (and vice-versa) are delineated in each of its client contracts and will continue to be handled in that manner. As with all aspects of its client contracts, Ticketmaster will abide faithfully by those terms.

Additionally, I note that beyond Ticketmaster's client-specific obligations, we, as a company, require our employees to adhere to a very strict Code of Ethics. Specifically, Section 6 of our Code of Business Conduct and Ethics provides that employees:

> . . . must maintain the confidentiality of confidential information entrusted to them by the Company or its customers or suppliers, except when disclosure is authorized by the Legal Department of your business, required by laws or regulations or ordinary and necessary in the course of carrying out your responsibilities as an employee, officer or director of the Company. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers or suppliers, if disclosed. It also includes information that suppliers and customers have entrusted to us. The obligation to preserve confidential information continues even after employment ends.

We believe these existing protections are sufficient to protect our ticketing services clients' confidential information from disclosure to the future concert promotions arm of the combined company.

Finally, with respect to the question as to whether Ticketmaster would agree to a firewall as part of a consent decree with the Justice Department as a condition of the merger being approved, at this early stage of the merger review process, we believe it would be premature to comment on any potential proposals that the DOJ may or may not raise.

REQUEST NO. 3:

3. Chicago Tribune music critic Greg Kot recently wrote that the price of a ticket for the top 100 tours last year averaged $ 67. That's more than double the average of a decade ago and far outstrips the rate of inflation. This merger would combine the companies "most responsible" for that increase in price, he wrote. With this history in mind, how can we be sure that the combined Live Nation/Ticketmaster will pass on any cost savings it realizes as a result of the merger on to consumers?

RESPONSE TO REQUEST NO. 3:

Respectfully, Mr. Kot appears to be misinformed about how ticket prices are typically set for live entertainment events. As Mr. Rapino explained during the February 24, 2009 hearing, ticket prices generally are set by the performer and his or her agent. The agent then calls several promoters and tells them that the artist has to make a sum certain on a show or tour (the guarantee) in order to recoup his or her costs and to make a decent profit, and then asks the promoters if they would like to bid on the show or tour based on that number. Promoters generally do not set the guarantee or the ticket prices; nor does Ticketmaster. Indeed, in 99 percent of our ticketing business, the price of a ticket is not determined by Ticketmaster (though on occasion, we consult with and assist clients in efficiently pricing tickets for dynamic primary sales, such as in Ticketmaster's official platinum tickets offerings).

With respect to your question as to whether the combined Live Nation/Ticketmaster will pass on any cost savings it realizes as a result of the merger to consumers, the answer is that we will, because our clients—venues, artists, and other promoters and content providers—are counting on us to provide tangible benefits as a result of the merger. In the end, all of these participants in the entertainment value chain want to sell more tickets. For artists, selling more tickets means greater revenues from the face price of the ticket, but for venues and promoters, selling more tickets also presents additional opportunities to earn more ancillary revenue—*e.g.*, concessions, merchandise, etc. When tickets go unsold at a particular event (frequently because of inefficient pricing or lack of consumer knowledge about the event), everyone in the value chain is hurt. We think we can sell more tickets by capitalizing on the efficiencies created by the merger to enable greater innovation in the ticket selling process and provide better ticket options and pricing for consumers.

REQUEST NO. 4:

4. At the hearing, you stated that you would not have acquired secondary market ticket seller TicketsNow.com if you had been running Ticketmaster when it entered into that deal. Many questions, of course, have been raised about Ticketsnow.com and whether Ticketmaster has been diverting tickets to Ticketsnow.com to be sold to consumers at inflated prices, especially in light of the incident with the sale of Bruce Springsteen concerts in New York and New Jersey last month.

(a) What is your view of the Ticketsnow.com being owned by the combined company should this merger be completed? Do consumers have reason to be concerned that tickets could be diverted to Ticketsnow.com after the merger?

(b) Would you agree to divest the ownership of Ticketsnow.com by the combined Live Nation/Ticketmaster if the Justice Department requested it as a condition of approving the merger?

RESPONSE TO REQUEST NO. 4:

(a) As I mentioned in the February 24, 2009 hearing, I was not at the company when it purchased TicketsNow. It is my personal view that if the business is run efficiently and tickets are priced at market value, there shouldn't be a need for the secondary market at all. However, I have discussed secondary ticketing with various members of our board and other employees, and I understand that Ticketmaster got into the secondary ticketing business because many sports teams and other clients asked Ticketmaster for this functionality, in particular, to enable sports teams to offer their season ticket holders the ability to resell a portion of their tickets in a secure, team-sanctioned manner.

The question as to the future ownership of TicketsNow is a decision that likely will be left up to our combined board after the merger is completed. Regardless of the answer, however, consumers need not be concerned that tickets will be diverted from primary on-sales to TicketsNow—not in the past, not now, and not in the future. Ticketmaster has made available for sale to the general public and will continue to make available for sale to the general public, via its website for primary ticketing, all of the tickets that its clients provide it for that purpose. Consumers searching for tickets to an event on Ticketmaster.com are never, and have never been, offered the option of searching for available inventory on the TicketsNow secondary marketplace if the specific ticket request they submitted could be fulfilled in the primary on-sale through Ticketmaster.com.

(b) We do not believe the Bruce Springsteen/TicketsNow issue is at all relevant to the merger review process. Moreover, at this relatively early stage of the process, we do not believe it would be prudent to conjecture about issues or options that the DOJ may or may not raise. Thus, we cannot speculate as to whether Ticketmaster would agree to divest the ownership of TicketsNow if the Justice Department requested it as a condition of approving the merger.

REQUEST NO. 5:

5. At the hearing, you stated that you would continue Ticketmaster's efforts to move toward implementing a paperless ticketing system. Under such a system, consumers would not get paper tickets but would have to show a credit card or driver's license to get admitted to an arena for a concert. What will this mean for consumers who wish to resell their tickets, buy tickets at the last minute, or the secondary ticketing market as a whole? Without paper tickets, how could consumers resell their tickets if they are unable to attend a concert? Without paper tickets, how could consumers buy tickets on the secondary market at the last minute?

RESPONSE TO REQUEST NO. 5:

Ticketmaster's paperless ticketing system enables ticket buyers to gain entry to a live entertainment event by bringing the credit card they used to complete the transaction, along with a valid photo ID to the venue. Because paperless tickets do not require a separate delivery method, this technology enables consumers to buy tickets up to the time that an event starts, provided that the event has not sold out.

Currently, paperless ticketing is in its early stages of implementation and is not enabled for resale. Ticketmaster develops ticketing technology and sells tickets as an agent for its clients, who have varied and diverse needs. We expect that in some situations, clients may want Ticketmaster to develop resale functionality for its paperless ticketing system. For example, our sports teams clients—most of whom currently offer their season ticket holders the ability to manage, forward, and/or resell their season tickets online—may want to offer paperless ticketing to their season ticket holders in the future. Not only could the electronic transfer of tickets make it easier for season ticket holders to attend games, but if enabled for resale, it also could provide sports teams with an additional opportunity to market to more fans. In fact, this is one of the selling points that our competitor Veritix touts as a benefit of their "digital" ticketing system, a technology which, similar to Ticketmaster's paperless ticketing, allows ticket buyers to choose a form of electronic ID (*e.g.*, credit card, driver's license, etc.) as their method of entry to an event. *See* http://www.veritix.com/solutions/digital_ticketing.aspx.

Some artists have already embraced this technology because it enables ticket purchases (either in fan club pre-sales or initial public on-sales) by their core fan base—those who follow the artist most closely. This ensures that fan club members and other fans purchasing designated seats have fair access to good tickets at face value. Naturally, our future enhancement of this technology will thus take into account all of our clients' diverse needs, and where authorized by our clients, it could include resale functionality that is competitive with similar offerings in the marketplace.

REQUEST NO. 6:

6. Please identify all companies that have entered the concert ticketing business on the national level in the last five years. Please further state who you contend are your competitors now for ticketing on the national level.

RESPONSE TO REQUEST NO. 6:

Today, there are very low barriers to entry into the business of ticketing services, and Ticketmaster faces a whole host of competition from a number of relatively new and existing ticketing services businesses across the country. The Internet has largely done away with the traditional bricks and mortar distribution model of the ticket industry; the notion that a competitor must be physically located in a specific geographic area to provide ticketing services is not an issue that prevents potential clients from considering a specific ticketing services provider based in another part of the country. In fact, technology has enabled ticketing operations to cross international borders—allowing European companies like Galathea STS to ticket domestic venues such as the University of New Mexico.

There are many third-party providers of ticketing services competing head-to-head against Ticketmaster for all types of clients in multiple geographic areas. These competitors offer everything from a licensed software model (which enables a venue to self-ticket), to full service turn-key ticketing solutions (like Ticketmaster's traditional Host system), to everything in between. And today, it's also possible for any venue, team, promoter, college or performing arts organization to self-ticket, and many of them do. Indeed, most clients consider this option prior to renewing their contracts with existing ticketing service or technology providers.

Ticketmaster faces intense competition each time a contract comes up for bid—whether it be a new client or a renewal. Some of the top competitors that have entered or have had a significant competitive impact through expansion in the business of ticketing venues that host concert events in the past 5 years include (in alphabetical order):[1]

- **Audience View**: Established in 2002, AudienceView offers venues a fully integrated, customizable, web-based software solution combining ticketing, funds management, venue management, targeted marketing, and reporting tools. Some of Audience View's clients include the following: University of Minnesota; Churchill Downs (KY); Venetian Resort Hotel Casino; Mesa Arts Center (AZ); Broadway.com; IMG Tickets (FL); Sony Ericsson Open (FL); Acuff Theatre (TN); Opry Museum (TN); University of

[1] Competitor information is gathered from a variety of publicly available sources, including competitor websites and press releases.

Massachusetts (Amherst) Fine Arts Center; Gaylord Entertainment (TN); and Tribeca Film Festival.

- **ComcastTix/New Era:** Through New Era ticketing, Comcast-Spectator launched ComcastTix, a full-service ticketing services provider for venues in 2004/2005. ComcastTix runs on Paciolan software (a company recently acquired by Ticketmaster). ComcastTix currently boasts a client list that includes the following venues/clients: Appel Farm Festival (NJ); Borgata Casino (NJ); Budweiser Events Center (CO); Philadelphia Phillies (at Citizens Bank Park); Colorado Eagles Hockey (CO); Comcast Center (MD); Dover International Speedway (DE); Helium Comedy Club (Phila.); Liacouras Center (Phila.); Penn Relays (Phila.); Pocono Raceway (PA); Portland Trail Blazers (Portland); Richard M. Borchard Regional Fairgrounds (TX); Rose Quarter (Portland); Society Hill Playhouse (Phila.); Sovereign Bank Arena (NJ); Tin Angel (Phila.); and Wachovia Complex (Phila.).

- **CTS/Eventim:** CTS Eventim is a leading ticketing services provider with activities in 16 countries. More than 60 million tickets for more than 100,000 events are marketed annually via EVENTIM group systems. In addition to more than 6,000 stationary box offices in Europe, EVENTIM distributes tickets via call centers and the Internet. CTS Eventim currently powers Live Nation's U.S. ticketing operations for its venues and events including amphitheaters, clubs, theaters and fairs/festivals nationwide, and will support ticketing operations for Live Nation venues across Europe.

- **eTix**: Founded in 1999, eTix offers a web-based ticketing system with a full box office solution, online ticketing, or a hybrid system adaptable to individual customer needs. eTix's web-based platform allows it to sell to a varied customer base from large venues to small twenty-person tours, including: arenas and multi-purpose facilities; theaters and performing arts centers; fairs and festivals; travel tours and attractions; sports teams and venues; movie theaters; promoters; rock clubs; and specialty venues. As of 2007, eTix claimed that its software managed the sale of more than 30 million tickets worldwide. The company currently boasts a client list of over 1,400 clients in 30 countries, including: Savannah Civic Center; Virginia Int'l Raceway; Dwyer Stadium (NY); Buccaneer Arena (IA); Ector County Coliseum (TX); Gotham Comedy Club; Valparaiso University (IN); the Citadel (SC); Georgia Southern University; North Carolina State Fair; and The Marquee (AZ).

- **MLBAM/Tickets.com**: Though Tickets.com has been in the industry for more than five years, it was acquired by MLB Advanced Media in 2005. This acquisition transformed MLBAM—a Ticketmaster client—into a full-fledged competitor. Today, Tickets.com provides both full-service (internet, retail outlets, and call centers) and enablement ticketing solutions to over 4,000 entertainment, sports, and arts venues, including: HSBC Arena/Buffalo Sabres (Buffalo, NY); Times-Union Center (NY); the Field Museum (Chicago); Roanoke Civic Center; Missouri State University; Milwaukee Brewers; Minnesota Twins; BOK Center (Tulsa, OK); Wells Fargo Center for the Arts (CA); St. Louis Cardinals; National Geographic Museum (DC); Kansas City Royals; Washington Nationals; Oakland A's; San Francisco Giants; Dallas Stars; Milwaukee Mile; Webster Theatre (CT); St. John's College; and the new Hartman Arena (Park City, KS).

Ticketmaster also has encountered Tickets.com in numerous bidding competitions across the United States.

- **ShoWare:** ShoWare offers a licensed ticketing solution that gives clients in-house control, private labeling, and content management of their ticketing. The system itself was introduced in 2000. Today, ShoWare boasts over 300 customer installations, and its clients include arenas, sports teams, clubs, festivals, and theaters, such as Arlington Park (IL); Crossroads Arena (MS); Dubai Racing Club; ShoWare Center (Kent, WA); Seattle Thunderbirds; Bismark Bobcats (ND); Reading Phillies; and Luna Park (San Fran.).

- **Self-ticketing**: The following former Ticketmaster clients have recently begun self-ticketing: Bailwick Arts Center (Chicago); Anthology (San Diego); Caroline's Club (NY); and Kroenke Sports Enterprises (powered by Veritix).

- **StubHub**: In 2000, StubHub began operating an online secondary marketplace which allowed consumers to resell or purchase tickets to concerts, sporting, and other live entertainment events. In the last 2-3 years, StubHub began partnering with sports teams and performers to obtain blocks of primary tickets to sell as "premium," "VIP," or "exclusive" packages in direct competition with Ticketmaster's primary ticket offerings for numerous live entertainment and concert events across the United States. Currently, StubHub's "exclusive" offerings include tickets for Superfly at Jazzfest (New Orleans) and Phoenix International Raceway, and StubHub has partnerships with multiple professional and collegiate sports teams and artists.

- **Tessitura:** Developed in 1996, Tessitura's Arts Enterprise Software provides over 200 operas, symphonies, and performing arts organizations across the United States with a combined ticketing, fundraising, and marketing solution in one software system. Tessitura clients include such well-known venues and entities as the Metropolitan Opera; Lincoln Center; Los Angeles Opera; San Francisco Opera; Utah Symphony & Opera; Annenberg Center for the Performing Arts (PA); Brooklyn Academy of Music; City of Houston; Columbia College (Chicago); Dallas Center for the Performing Arts; Flynn Center For The Performing Arts (VT); Boston Symphony Hall, and Tampa Bay Performing Arts Center.

- **Veritix**: In 2007, Flash Seats, a secondary ticketing provider, acquired Vertical Alliance, a primary ticketing solutions provider, and formed Veritix. The combined company now licenses software to enable customers to manage their own ticket sales via the Internet, box office, telephone, and retail outlets, and offers both primary and secondary ticketing solutions. Veritix provides its ticketing solution to the Houston Rockets and all other events at the Houston Toyota Center, Texas A&M University; Kroenke Sports Enterprises (which owns several major league sports teams in Denver); Paramount Theatre (Denver); Boise State University; Oral Roberts University (Tulsa, OK); and the new Rio Tinto Stadium (Sandy, UT). Beginning in July 2009, the existing relationship between Kroenke Sports and Veritix will be expanded to include ticketing for the Pepsi Center, the Denver Nuggets, the Colorado Avalanche, the Colorado Crush, and the Colorado Mammoth.

Ticketmaster recently lost bidding competitions to one of more of the above competitors for the following clients or potential clients: Big Apple Circus; Iowa Events Center Arena; Old Dominion University; City of Kansas City; Alaska State Fair; Lupo's Nightclubs (RI); Stages Music Hall (Chicago); SUNY-Courtland; Boston Red Sox; International Speedway Corp. (NASCAR); MassConcerts (MA, ME, NH, CT, RI, NJ); Pittsburgh Pirates; Cincinnati Reds; Detroit Tigers; Texas Rangers; City of Peoria (AZ); Baltimore Museum of Art; Paramount Theater (Seattle); Missouri State University; Welmont Theatre (NJ); Seattle Theatre Group; ShoWare Center (Kent, WA); Montana ExpoPark; Tennessee Performing Arts Center; Carnegie Hall; and Santa Cruz Civic Auditorium. In addition to the companies listed above, a more complete list of ticketing services providers is attached as Exhibit A.

REQUEST NO. 7:

7. In November, when Front Line merged with Ticketmaster, you said. "It's going to be a company that is about connecting artists and fans, about marketing, about using technology in creative ways to help fans learn more about music, to help artists reach more fans than they could otherwise reach." Given that statement and what you said in your testimony, it is unclear why this merger is required to do that. What improvements does this merger bring to Ticketmaster other than assuring ticketing control of Live Nation venues? Why was it necessary to merge with Live Nation to bring about the improvements you identify?

RESPONSE TO REQUEST NO. 7:

Ticketmaster's acquisition of a controlling interest in Front Line was the first step in redefining Ticketmaster's business at a time of great change in the industry, but in order to have a truly direct artist-to-fan connection that is able to touch the consumer at multiple points in the value chain, we felt that we would greatly benefit from a promoter being included in the solution. Our mission fits ideally with Live Nation's goal of becoming the industry's first artist-to-fan concert pipeline.

The entertainment industry has undergone a complete upheaval over the last several years, due in large part to the Internet. Among other things, there has been a rapid shift to online distribution and purchasing; record labels and other traditional business models have collapsed or are becoming outdated; new paths to connect artists and fans are being forged; and ticketing has become a technology business. And while in some cases, there has been a move toward vertical integration, there are still many participants in the value chain who are focused primarily on furthering their individual interests instead of those of the artist and the fan. This was one of the issues with Live Nation's and Ticketmaster's preexisting relationship, where, because the parties were arms-length contract partners, each was naturally more focused on promoting its own brand and obtaining its respective return on their contract. In contrast, the combined entity will be able to achieve a level of collaboration and efficiency (in terms of marketing events and designing and implementing consumer-friendly ticketing solutions) far beyond anything they were capable of in the past.

These industry conditions have resulted in a number of inefficiencies that are affecting not only the parties to this deal, but the industry as a whole, including: (1) significant volumes of unsold tickets; (2) information failures; and (3) unrealized opportunities for product development and innovation. We believe these inefficiencies can be reduced if there is a unified approach to innovation, information sharing and better marketing, selling more tickets, and strengthening the artist-to-fan connection, not just at the ticketing level, but at the promotions level as well.

Greater innovation and better marketing: With a better and more refined alignment of interests, the combined company will be able to achieve cost reduction at a level which simply could not be achieved before when Ticketmaster and Live Nation were arms-length contract partners. We believe this cost reduction and combination of assets will allow us to devote more resources to innovation and better marketing to provide consumers with useful information about events and merchandise, additional ticket options, and a sophisticated online entertainment storefront where they can fulfill all of their entertainment needs. This, in turn, will provide artists with greater and more diverse revenue streams so they are not so heavily dependant on ticket sales for their livelihood.

Information sharing and the artist-to-fan connection: With greater information sharing at every level of the value chain—including tour planning, promotions, merchandizing and ticketing—the parties can build more direct connections between the artist and fan. We think this type of coordination will allow us to bring more content to our venue partners and the public, including new acts, which currently do not have adequate platforms to market themselves and reach their fans. Because the new company will represent the interests of all parties in the value chain, we believe this combination will redefine how concerts are brought to market and take live entertainment services to the next level. And we think that the integration we can achieve here will reach far beyond the sphere of Ticketmaster and Live Nation's former contractual relationship to benefit other venues that do business at any level with the combined company.

Selling more tickets: To achieve the overarching industry goal of selling more tickets (thereby benefiting every entity that is a part of the value chain), we feel it is necessary to obtain greater promoter—as well as artist—participation in the process of selling tickets. Ticketmaster and Live Nation each have unique perspectives and strengths in marketing and selling tickets. The combined entity, by uniting operations, drawing on the best practices of both companies, and directly aligning priorities, will be able to offer artists, venues and fans more promotions and ticketing options than either company could do by itself.

From Senator Schumer

REQUEST NO. 1:

1. Ticketmaster has stated that a "glitch" or "malfunction" led to the now well-publicized problems involving the sale of tickets to Bruce Springsteen's upcoming "Working on a Dream" tour.

- Please explain, in detail, what caused the "malfunction," and what its effects were.
- Can Ticketmaster guarantee that no similar "glitch" or "malfunction" will arise in the future?
- How did Ticketsnow.com get so many tickets within minutes of the start of the sale?

<u>RESPONSE TO REQUEST NO. 1</u>:

- *What caused the malfunction and what were its effects*? The malfunction was the result of miscommunication in Ticketmaster's product and engineering teams. On February 2, 2009, tickets for three Bruce Springsteen concerts went on sale at 9 a.m.—two of these shows were in New Jersey and one was in New York. Because of Mr. Springsteen's popularity in this area, there were many more fans trying to buy tickets through Ticketmaster.com than there were tickets available.

  As a result of extremely high demand for these shows, a software breakdown occurred in one of our credit card fraud prevention programs. The software code which implements this program was installed and operational in our European ticketing systems for over 12 months, and had been operating in our U.S. based ticketing systems since August 2008. While the code passed all of our internal tests, it ultimately proved incapable of handling the extreme conditions presented by the February 2 Bruce Springsteen on-sales in New Jersey and New York. This was the first time that on-sales of this magnitude were directed to a single regional Ticketmaster ticketing system since this code was installed, and in light of the months that the code had been installed and operational, Ticketmaster did not have any reason to anticipate that this type of issue would occur.[2]

  As a result, starting at approximately 9:09 a.m. EST, certain credit card transactions locked up during the payment process for an extended period or were aborted while processing payment. Additionally, and as a further result of the software problem, fans who were trying to buy tickets for the New York and New Jersey shows saw a routine maintenance error page on the website while attempting to reserve tickets. These issues caused certain consumers to be unable to complete their pending transactions. In both cases, the fans involved had to return to the Ticketmaster.com site to start another search.

  To be clear, no consumers were directed to TicketsNow or given the option to link to TicketsNow from the error page. Consistent with Ticketmaster's policy at the time to provide consumers with additional ticket purchasing options in the event their specific ticket request could not be fulfilled on Ticketmaster.com, fans who encountered the software issue and were unable to secure tickets responsive to their search were given three choices – either to search again using different parameters, come back later, or click on a link to see inventory available on TicketsNow. No consumers were presented with this set of options as a result of the software malfunction referenced above.

  Some consumers who chose to click through to TicketsNow and then complete a ticket purchase on that website, have complained that they believed they were instead purchasing tickets from the initial on-sale on Ticketmaster.com. While we believe the messaging on the site was clear when consumers chose to click through to the

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[2] In addition, Ticketmaster sent out a ticket alert e-mail to certain registered users that inadvertently and mistakenly listed the on-sale time as 10 a.m. rather than 9 a.m.

TicketsNow web page, we chose to issue refunds (for the difference between the TicketsNow purchase price and the face value of the ticket) to ticket purchasers who told us they were genuinely confused by the process.

- *Can Ticketmaster guarantee that this will never happen again*? Because of the nature of technology, neither Ticketmaster, nor any other ticketing service provider, can offer an iron-clad guarantee that it will never experience a technology failure during an on-sale. However, I can tell you that our product and engineering team are meticulously reviewing its procedures, will be more diligent in reviewing code and related requirements in the future, and will improve how requirements are communicated internally. Moreover, I should note that technology performance is critical to Ticketmaster's livelihood and our ability to distinguish ourselves from our peers. Our reputation has been and will continue to be that we "set the standard" for reliability in the ticketing industry. Our clients hold us to very strict system performance criteria, and these obligations are set forth in our contracts. This is not an area in which we want to disappoint our clients, or the public.[3]

- *How did TicketsNow get so many tickets within minutes of the start of the sale*? We believe that brokers get their tickets a number of different ways. Brokers and others interested in reselling tickets often have season tickets at a particular venue and receive guaranteed access to non-sports events in the venue. Brokers may also join artist fan clubs or participate in other promotional offers with the specific aim of having a chance to participate in promotional "pre-sale" opportunities. Sometimes, brokers do not have actual tickets in-hand but nevertheless post listings on multiple resale websites. They then subsequently purchase tickets in the resale marketplace (often from other brokers) and then proceed to fulfill their orders. This is an unfortunately all-too common practice in the resale world, and one we are committed to curtailing at the TicketsNow site (although the practice will almost certainly continue unabated at other leading resale websites).

  Regrettably, some unscrupulous individuals also use illegal automated software programs to bypass Ticketmaster's sophisticated security systems and "cut to the front of the line." This causes immense harm to Ticketmaster and the purchasing public. Ticketmaster has been leading the fight to ensure tickets can be distributed to the public without the interference and corruption of automated purchasing devices. We enforce ticket purchase limits and have brought multiple lawsuits against brokers and software distributors - even putting one leading distributor of illegal software out of business. We continue to invest significant resources and cooperate with law enforcement to do everything possible to ensure that the illegal and unethical behavior of a few does not thwart fans' fair access to tickets.

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[3] As explained above in response to Senator Kohl's Question Nos. 1 and 4, we have made certain commitments regarding de-linking Ticketmaster.com's NTF page from TicketsNow, which I will not repeat here, in the interest of brevity.

> Ticket reselling (and scalping) have been in existence since the beginning of ticketing for live events. Many consumers have legitimate reasons for wanting to sell previously purchased tickets—*e.g.*, season ticket holders who can't make certain games at the last minute. To meet the needs of these consumers, we are doing our best to try and legitimize the process and minimize fraud in ticket resales. To that end, TicketsNow has instituted a policy whereby it will only allow postings on its marketplace after the initial on-sale for the event on Ticketmaster.com. By taking this action, TicketsNow is the first and only resale marketplace, to our knowledge, that has a policy against the posting of tickets before the on-sale.

REQUEST NO. 2:

2. In written answers provided to my office on February 26, 2008, Ticketmaster indicated that Ticketmaster fees for the New York and New Jersey Springsteen shows averaged $12.39 and $12.83, respectively. The answers further state that the TicketsNow service charges for the same shows were $45.07 and $45.16, but note that the TicketsNow fees are gross amounts paid before "very substantial acquisition costs and applicable fixed and variable costs are taken into account."

- Please identify and quantify the "substantial" acquisition costs and fixed and variable costs identified in Ticketmaster's response.
- Are there similar acquisition, fixed, and variable costs associated with primary tickets sold on Ticketmaster? If so, please identify and quantify such costs.
- What is Ticketmaster's profit margin from secondary tickets sold on Ticketsnow.com?

RESPONSE TO REQUEST NO. 2:

- In Ticketmaster's February 26, 2009 responses to Senator Schumer's February 24, 2009 questions, Ticketmaster explained that the TicketsNow fees it collected for Springsteen concerts (and identified in Response 2(b)) consisted of the gross amounts collected by TicketsNow and did not include the very substantial acquisition costs of TicketsNow and applicable fixed and variable costs of Ticketmaster's operations.[4] The substantial acquisition cost of TicketsNow referred to in that response includes the purchase price that Ticketmaster paid for the company—specifically, $279 million. Beyond this one-time cost, however, there are also very substantial operational costs associated with running the site and its related call center. In 2008, our ticketing business segment, primarily comprised of Ticketmaster and TicketsNow, had variable and fixed costs of approximately $1.096 billion.

[4] Moreover, it should be noted that the fees charged on TicketsNow are consistent with those charged by such industry giants as StubHub. *See* https://www.stubhub.com/help-buy-buying-tickets/; https://www.stubhub.com/help-sell-completing-listing/.

Variable operating costs consist primarily of credit card fees and chargebacks, ticket delivery fees, payroll, telecommunication and data communication costs associated with call centers and revenue share costs.

Fixed costs include selling and marketing expenses, primarily advertising and promotional expenditures and compensation and other employee-related costs (including stock-based compensation) for personnel engaged in customer service and sales functions. Advertising and promotional expenditures consist primarily of online marketing, including fees paid to search engines. Fixed costs also include general and administrative expenses, primarily compensation and other employee-related costs (including stock-based compensation) for personnel engaged in finance, human resources and executive management functions, facilities costs and fees for professional services.

- The fixed and variable costs associated with selling primary tickets on Ticketmaster are different from those required to operate TicketsNow. Ticketmaster's primary ticket sales online are connected to its Host (master) inventory system, which simultaneously services sales that occur online and through independent sales outlets, call centers and via mobile. As of December 31, 2008, Ticketmaster had approximately 2,100 independent sales outlets and operated two call centers in the United States. In addition to selling tickets, these call centers also assist in ticket fulfillment for orders placed online, and, some retail centers allow for pick-up of tickets sold online. Accordingly, costs associated with these other distribution channels should be taken into account when analyzing the costs of Ticketmaster's online primary ticket sales.

  Variable operating costs consist of royalties paid to clients as a share of convenience and processing fees, credit card fees and chargebacks, payroll, telecommunication and data communication costs associated with call centers, commissions paid on tickets distributed through independent sales outlets away from the box office and other expenses including ticket stock and postage.

  Fixed costs include selling and marketing expenses, primarily advertising and promotional expenditures and compensation and other employee-related costs (including stock-based compensation) for personnel engaged in customer service and sales functions. Advertising and promotional expenditures primarily include online marketing, including fees paid to search engines and distribution partners, as well as offline marketing, including sports sponsorship marketing and radio spending. Fixed costs also include general and administrative expenses, primarily compensation and other employee-related costs (including stock-based compensation) for personnel engaged in finance, legal, tax, human resources and executive management functions, facilities costs and fees for professional services.

- During 2008, Ticketmaster's ticketing business segment (which includes TicketsNow, among other businesses) recorded an operating loss of $872 million, including a goodwill impairment charge of $1.094 billion.

<u>REQUEST NO. 3</u>:

3. What was the average difference in profit between a Ticketmaster ticket sold at 10:00 am and a TicketsNow ticket sold only minutes later for the very same Springsteen event?

<u>RESPONSE TO REQUEST NO. 3</u>:

Profit can be measured in many ways, and for purposes of our answer to this question, we will use adjusted operating income. The difference between Ticketmaster's average adjusted operating income per ticket sold on TicketsNow versus its average adjusted operating income per ticket sold on Ticketmaster.com for the one New York and two New Jersey Springsteen shows at issue was $42.93. This difference does not take into account refunds given to the consumers who requested them for ticket purchases made on TicketsNow. It bears mention that the very high demand for these particular shows (due to Mr. Springsteen's popularity in New Jersey and New York) resulted in unusually high ticket resale prices on TicketsNow and all other reseller web sites (*e.g.*, StubHub, Ticket Liquidator, etc.), and corresponding higher fees paid by consumers which per standard market practice are set as percentage of those higher ticket prices.

<u>REQUEST NO. 4</u>:

4. Who was responsible for the "malfunction"? Was anyone fired? Was anyone disciplined? If not, why not?

<u>RESPONSE TO REQUEST NO. 4</u>:

The malfunction was the result of a miscommunication in the product and engineering team. There is no single person who was responsible for it. The product and engineering team is currently reviewing its procedures, will be more diligent in reviewing code and related requirements in the future, and will improve how requirements are communicated internally. No one has been fired as a result of this issue, nor have we concluded that any disciplinary action is required.

<u>REQUEST NO. 5</u>:

5. Can Ticketmaster guarantee or pledge that service charges or fees imposed by the merged company will not be increased from Ticketmaster's current levels if the merger is approved?

<u>RESPONSE TO REQUEST NO. 5</u>:

Respectfully, we take issue with the notion that Ticketmaster has the responsibility and discretion to set service or convenience fees. In fact, the fees charged for an individual ticket consist of several components, the majority of which are heavily negotiated on a client-by-client basis.[5] Fee levels typically reflect not only Ticketmaster's costs for providing its services, but

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[5] For example, the convenience charge varies by ticket price and event and is determined by negotiations with venue operators, promoters and others, based on costs for each event.

[Footnote continued on next page]

also the royalties its clients demand which Ticketmaster agrees to pay in order to remain competitive with the pricing offered by other ticketing services providers. These royalties are usually paid on a per-ticket basis as a portion of certain fees (*e.g*. convenience charges and order processing fees).[6] And in the case of some fees (such as facility fees), the entire amount is remitted to the venue. Post-merger, the combined entity will still have to negotiate many of these components with venues and promoters on a contract-by-contract (or even event-by-event) basis. Because we do not have sole responsibility for these fees, we could not guarantee that average fees will decrease overall post-merger. But we also do not believe that the merger itself will in any way lead to higher ticket fees or prices.

We do agree, however, that the industry needs a complete overhaul in how it prices and charges service fees. In fact, one of the first initiatives I instituted after coming to Ticketmaster was to convince my personal client, the Eagles, to use "all-in" ticket prices in virtually every concert date they played (except where a building would not allow it). This means that the stated ticket price a fan chooses when he or she selects her seats includes any applicable service charges. I truly believe this is a better way of presenting actual ticket prices to the public because it allows consumers to know right at the beginning of the purchase transaction what the total ticket price will be before they select their seats.

REQUEST NO. 6:

6. How many primary tickets did Live Nation sell in 2007? 2008?

RESPONSE TO REQUEST NO. 6:

Ticketmaster does not have access to reliable ticket sales data for tickets that are not sold on one of Ticketmaster's systems; therefore, we cannot accurately estimate Live Nation's ticket sales for these time periods.

REQUEST NO. 7:

7. How many primary tickets did Ticketmaster sell in 2007? 2008?

[Footnote continued from previous page]

Convenience charges typically include an embedded credit card fee (which averages about 2.9%), rebates to the venues, and sometimes rebates to artists and/or promoters. At the end of the day, Ticketmaster pays a very substantial portion of the average convenience charge back to clients pursuant to the revenue sharing agreement set forth in each client contract.

[6] Ticketmaster's own informal sampling of fees charged by competitors for live entertainment events on sale as of February 26, 2009 reveals that total fees as percentage of the total ticket price were as follows: Metrotix.com (16.5%); ShoWare (23.7%); Tickets.com (19.4%); TicketsUnlimited - KnoxvilleTickets.com (10.2%); TicketsWest.com (26.4%); and Veritix (12.3%).

<u>RESPONSE TO REQUEST NO. 7</u>:

In 2007, Ticketmaster sold 140.9 million primary tickets world-wide. In 2008, Ticketmaster sold 138.6 million primary tickets world-wide. These figures do not include tickets processed on Ticketmaster's systems for which it does not collect a convenience fee (*e.g.* tickets sold through client box offices).

<u>REQUEST NO. 8</u>:

8. Has Ticketmaster prepared projections of how much of Ticketmaster's primary ticket sale business Live Nation might have threatened if it had remained a competitor of Ticketmaster?

- If so, please provide the substance of any such projection.

<u>RESPONSE TO REQUEST NO. 8</u>:

Ticketmaster is not aware of any official Ticketmaster projections specifically analyzing how much of Ticketmaster's primary ticket sale business Live Nation might have "threatened" if it had become a full-fledged competitor of Ticketmaster for the ticketing services business of third-party venues. Instead, Ticketmaster has forecasted that as a result of the parties' decision not to renew their prior contract, Ticketmaster would lose the opportunity to sell approximately 9.1 million tickets on behalf of Live Nation-owned or operated venues in the United States in 2009.

In contrast, if the merger is approved, the combined entity will almost certainly lose the opportunity to sell ticketing services to some new or existing clients. For example, AEG already has notified Ticketmaster by letter that it believes it has the right to terminate our agreement if the merger goes forward.

<u>REQUEST NO. 9</u>:

9. What was Ticketmaster's market share of primary ticket sales for major arenas and stadiums in 2007? In 2008? (Please answer this question both for concerts, and for other events.)

<u>RESPONSE TO REQUEST NO. 9</u>:

There is no well-defined "market" for primary ticketing and for this reason, Ticketmaster historically has not tracked "market share." Similarly, the term "major arenas and stadiums" is not generally understood to describe a specific set of venues in the industry. Nevertheless, based on publicly available estimates, we believe that the opportunity to sell primary tickets in the U.S. is between $20-30 billion tickets annually. For example, in 2008, Forrester Research estimated that primary ticket sales in the U.S. live music and sporting event industries amounted to approximately $22 billion.[7]

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[7] *Forrester*, The Future of Online Secondary Ticketing; A Forecast of US Online Secondary Ticket Sales, 2007 to 2012 (Feb. 6, 2008).

Primary ticketing for sports and music events in the U.S.: Taking into account the Forrester Research figure above, and Ticketmaster's 2007 domestic primary ticket sales, Ticketmaster's estimated 2007 market share for live music and sporting events would be less 22%.[8]

Pollstar combined top 100 concert arenas, amphitheaters, stadiums (festivals) and theaters (U.S.): While Ticketmaster neither contributes to nor can attest to the accuracy of Pollstar's statistics, with respect to the Pollstar Top 100 concert arenas, amphitheaters, stadiums (festivals), theaters, and clubs in the U.S. (2008), Ticketmaster provided ticketing services to 87 of those venues in 2007, and 84 of those venues in 2008. In addition to these however, there are many thousands of other venues in the U.S. that host live entertainment events, and these range in size from a few hundred seats to stadiums of 60,000+ seats. It should be noted as well that while some of these venues host sporting events, others, which are utilized solely for sports purposes, would not be included in this list.

On average, 20% of Ticketmaster's ticketing service contracts up for bid every year. As these contracts come up for bid, Ticketmaster and other competitors submit proposals for the business going forward, so incumbency does not constitute a significant advantage in bidding for business (although Ticketmaster is proud of its success in retaining the vast majority of its clients as they renew because we have continued to deliver excellent service and the best technology available). Rather, because each competition for ticketing services is at the venue-level, every contract—whether it be a new client or renewal—is a "jump ball," which each competitor gets a fair shot at winning.

REQUEST NO. 10:

10. What was Live Nation's market share of primary ticket sales for major arenas and stadiums in 2007? In 2008? (Please answer this question both for concerts, and for other events.)

RESPONSE TO REQUEST NO. 10:

As noted above, there is no well-defined "market" for primary ticketing and for this reason, Ticketmaster historically has not tracked "market share." Further, because we do not have access to reliable ticket sales data for tickets that are not sold on one of Ticketmaster's systems, we cannot accurately estimate other companies' ticket sales.

REQUEST NO. 11:

11. If the merger is successful, to what extent would Ticketmaster eliminate direct competition from Live Nation's own recently-launched ticketing service?

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[8] Because Ticketmaster's total sales numbers include non-sports and non-music events (such as circuses and family shows), and the Forrester estimate includes only those types of events, Ticketmaster's share would be less than 22%.

RESPONSE TO REQUEST NO. 11:

Currently, we understand that Live Nation for the most part is not engaged in head-to-head competition with Ticketmaster for the ticketing services of third-party venues. Rather, Live Nation is using third-party ticketing services technology from CTS Eventim, and is primarily focused on self-ticketing its own venues. To the extent that Live Nation goes forward to compete for third-party ticketing service business, the merger would eliminate competition between Ticketmaster and Live Nation because the merged entity would not compete against itself for ticketing service business. But as of today, given that Live Nation has really become the quintessential example of a major client that has decided to take ticketing in-house with available technology, the merger does not eliminate significant direct competition between Ticketmaster and Live Nation for the ticketing services business of third parties. Rather, the merger would simply restore the status quo of approximately three months ago, in which Ticketmaster was the ticketing service provider for Live Nation.

REQUEST NO. 12:

12. Are ticket sales for live events trending up or down in the past few years?

RESPONSE TO REQUEST NO. 12:

While Ticketmaster does not keep specific data tracking the ticket sales for all live entertainment events (including those ticketed by third-party ticketing service providers), we have seen public data to suggest that North American concert ticket sales increased by 7% in 2008 over the prior year.[9] Ticketmaster's domestic primary ticket sales have been basically flat over the last few years, and are down slightly world wide comparing 2008 against 2007.

REQUEST NO. 13:

13. Did Ticketmaster post operating profit gains in the third quarter of last year?

RESPONSE TO REQUEST NO. 13:

Ticketmaster worldwide operating income was $26.9 million in Q3 08 compared to $48.0 million in Q3 07, a decline of 44%. Full year worldwide operating income was ($954.1) million in 2008 compared to $216.3 million in 2007, a decline of (541%). The 2008 results include a goodwill impairment charge of $1,094 million.

REQUEST NO. 14:

14. Did Ticketmaster see revenues rise last year?

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[9] Pollstar 2008 Year End Business Analysis.

RESPONSE TO REQUEST NO. 14:

Ticketmaster posted full-year worldwide revenue of $1,454.5 million in 2008, up 17%, or $214.0 million, from the prior year. Acquisitions, including Paciolan, TicketsNow and Front Line, contributed $178.4 million to full-year revenue.[10]

REQUEST NO. 15:

15. What is your position with respect to spinning off, or selling, TicketsNow.com?

RESPONSE TO REQUEST NO. 15:

Please see response to Senator Kohl's Question No. 4(b) above.

100618865_8.DOC

[10] Press Release, *Ticketmaster Entertainment Reports Fourth Quarter and Fiscal Year 2008 Financial Results* (March 19, 2009).

EXHIBIT A

Name, Location, and URL	Year Established	Services or Software
AGILE TICKETING SOLUTIONS, LLC Hermitage, TN www.agiletix.com	**1999**	**Both**
ARTS MANAGEMENT SYSTEMS Calgary, Canada www.artsman.com	**1986**	**Software**
AUDIENCEVIEW Toronto, Canada www.audienceview.com	**Unknown**	**Services**
BASELINE TICKETING Austin, TX www.baselineticketing.com	**1996**	**Services**
BOX OFFICE XPRESS Port Dover, Canada www.ccexpress.com	**1993**	**Software**
BROADWAY.COM New York, NY www.broadway.com	**Unknown**	**Services**
BROWN PAPER TICKETS Seattle, WA www.brownpapertickets.com	**Unknown**	**Services**
BLACKBAUD Charleston, SC www.blackbaud.com	**1982**	**Software**
CAPITOLTICKETS.COM Columbia, SC www.capitoltickets.com	**2003**	**Services**
CHOICE TICKETING SOFTWARE Boulder, CO www.choiceticketing.com	**1999**	**Software**
CITY BOX OFFICE San Francisco, CA www.cityboxoffice.com	**2007**	**Services**
CLICKNPRINT Houston, TX www.clicknprint.com	**1999**	**Software**

Name, Location, and URL	Year Established	Services or Software
COMCASTTIX* Philadelphia, PA www.neweratickets.com	**Unknown**	**Services**
CTS EVENTIM, AG Denmark www.eventim.de	**Unknown**	**Services**
ETICKETS SOFTWARE, INC. Escondido, CA www.e-ticketsinc.com	**Unknown**	**Software**
ETIX Morrisville, NC www.etix.com	**1999**	**Services**
FIRST SPORTS TICKETS, INC. Oxford, MS www.ticketsxchange.com	**2001**	**Software**
FRONT GATE SOLUTIONS Austin, TX www.frontgatesolutions.com	**2002**	**Both**
GALATHEA STS Oxford, MS www.galatheasts.com	**1998**	**Software**
GATEMASTER SYSTEM Hercules, CA www.gatemaster.com	**1993**	**Software**
GATEWAY TICKETING SYSTEMS, INC. Boyertown, PA www.gatewayticketing.com	**1999**	**Software**
GLOBAL ENTERTAINMENT* Tempe, AZ www.globalentertainmentonline.com	**2004**	**Services**
GROOVETICKETS Los Angeles, CA	**1999**	**Services**

* Denotes a company that provides ticketing services through the use of Paciolan software, which is currently owned by Ticketmaster.

Name, Location, and URL	Year Established	Services or Software
www.groovetickets.com		
INTERNATIONAL SPEEDWAY CORP. Daytona Beach, FL www.iscmotorsports.com	**1957**	**Services**
JUMPTV/XOS TECHNOLOGIES North Billerica, MA www.xostech.com	**1999**	**Software**
KTIX Tempe, AZ www.ktix.ticketforce.com	**2007**	**Services**
LIVE NATION TICKETING Los Angeles www.livenation.com	**Unknown**	**Services**
MARTECH SYSTEMS Wausau, WI www.martechsys.com	**1999**	**Software**
MAX WEB Lexington, KY www.maxweb.com	**Unknown**	**Both**
METROTIX* St. Louis, MO www.metrotix.com	**1989**	**Services**
MUSICTODAY Crozet, VA www.musictoday.com	**1989**	**Services**
MYTICKETOFFICE.COM Tulsa, OK www.myticketoffice.com	**2006**	**Services**
NEW CONCEPTS SOFTWARE, INC. Roseville, MI www.ncsoftware.com	**1992**	**Software**
NEW ERA TICKETS* Exton, PA www.neweratickets.com	**Unknown**	**Software**
OMNITICKET NETWORK Orlando, FL www.omniticket.com	**1999**	**Software**
OVATION TIX New York, NY	**2000**	**Services**

Name, Location, and URL	Year Established	Services or Software
www.ovationtix.com		
RepeatSeat Calgary, Canada www.repeatseat.com	**2000**	**Software**
SeatAdvisor, Inc. San Diego, CA www.seatadvisor.com	**1999**	**Software**
Select-A-Seat Valley Center, KS www.selectaseat.com	**Unknown**	**Services**
Shubert Ticketing New York, NY www.telecharge.com	**Unknown**	**Services**
ShoWare Fresno, CA www.showare.com	**2000**	**Both**
Smith's TiX Utah www.SmithsTix.com	**Unknown**	**Services**
Softix San Francisco, CA www.softix.com	**1974**	**Software**
Star Tickets Plus Michigan www.starticketsplus.com	**1994**	**Services**
Tessitura Dallas, TX www.tessiturasoftware.com	**1996**	**Software**
Texas Box Office* Austin, TX www.texasboxoffice.com	**2005**	**Services**
Tick it Biz www.tickitbiz.com	**1998**	**Software**
Ticket Central New York, NY www.ticketcentral.com	**Unknown**	**Services**
TicketForce Gilbert, AZ www.starticketsplus.com	**Unknown**	**Services**
TicketFusion	**Unknown**	**Both**

Name, Location, and URL	Year Established	Services or Software
Raleigh, NC www.ticketfusion.com		
TICKETHORSE Denver, CO www.tickethorse.com	**2007**	**Services**
TICKETPRO Norwalk, CT www.ticketpro.com	**Unknown**	**Services**
TICKETRETURN Charlotte, NC www.ticketreturn.com	**2000**	**Software**
TICKETS.COM Costa Mesa, CA www.tickets.com	**1995**	**Both**
TICKETSAGE Fayetville, AR www.ticketsage.com	**1999**	**Software**
TICKETSTARONLINE.COM (division of PMI Entertainment) www.ticketstaronline.com	**Unknown**	**Services**
TICKET TURTLE Portland, OR www.ticketturtle.com	**2003**	**Software**
TICKETSUNLIMITED (aka Knoxvilletickets.com) www.ticketsunlimited.com	**Unknown**	**Services**
TICKETSWEST Spokane, WA www.ticketswest.com	**Unknown**	**Services**
TICKETU Memphis, TN www.ticketu.com	**1999**	**Software**
TITAN TECHNOLOGY GROUP New York, NY www.titantechgroup.com	**2000**	**Software**
TIX.COM Long Beach, CA www.tix.com	**2001**	**Both**

Name, Location, and URL	Year Established	Services or Software
UNIVERSITY TICKETS New York, NY www.universitytix.com	**1999**	**Services**
UNLV TICKETS* Las Vegas, NV www.unlvtickets.com	**2006**	**Services**
VALLITIX (powered by TicketsWest) Spokane, WA	**Unknown**	**Services**
VENDINI San Francisco, CA www.vendini.com	**Unknown**	**Software**
VERITIX Cleveland OH www.veritix.com	**1999**	**Both**
VISIONONE, INC. Fresno, CA www.visionone.com	**1994**	**Software**