



## ATTORNEY GENERAL RAOUL JOINS FEDERAL ANTITRUST LAWSUIT AGAINST LIVE NATION

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## Department of Justice and 30 AGs Allege Live Nation Has Illegally Monopolized the Live Entertainment Industry and Driven Up Ticket Prices

Chicago – Attorney General Kwame Raoul and the U.S. Department of Justice (DOJ), with a bipartisan coalition of 29 states, today filed a civil antitrust lawsuit against Live Nation Entertainment Inc., and its wholly-owned subsidiary, Ticketmaster LLC, alleging that the company has illegally monopolized the live entertainment industry. The lawsuit seeks to restore competition in the live concert industry, provide better choices at lower prices for fans and open venue doors for working musicians and other performance artists.

"Live Nation's anticompetitive business practices have led to higher costs and fewer choices for fans seeking live entertainment in Illinois," said Raoul. "That's why I am joining the U.S. Department of Justice and my fellow attorneys general in filing this complaint against Live Nation. I remain committed to combating monopolies that harm consumers and undercut innovation in Illinois and across the county."

Live Nation operates several major concert venues in Illinois, from the Credit Union 1 Amphitheatre in Tinley Park, Illinois to smaller venues like House of Blues Chicago. In 2022, Ticketmaster sales reached nearly \$1.5 billion for Illinois, accounting for the vast majority of expenditures on live music entertainment.

The <u>complaint</u>, filed today in the U.S. District Court for the Southern District of New York, alleges that Live Nation's unlawful conduct has deprived music fans in the United States of ticketing innovation and forced them to use outdated technology while paying more for tickets than fans in other countries. At the same time, Live Nation exercises its power over performers, venues, and independent promoters in ways that harm competition. Live Nation also allegedly imposes barriers to competition that limit the entry and expansion of its rivals.

"We allege that Live Nation relies on unlawful, anticompetitive conduct to exercise its monopolistic control over the live events industry in the United States at the cost of fans, artists, smaller promoters, and venue operators," said U.S. Attorney General Merrick B. Garland. "The result is that fans pay more in fees, artists have fewer opportunities to play concerts, smaller promoters get squeezed out, and venues have fewer real choices for ticketing services. It is time to break up Live Nation."

In the lawsuit Raoul and the DOJ allege that Live Nation engaged in a variety of tactics to eliminate competition and monopolize markets:

- Locking Out Competition with Exclusionary Contracts: Live Nation locks venues into restrictive longterm, exclusive agreements so that venues cannot consider or choose rival ticketers, use multiple ticketers, or switch to better or more cost-effective ticketing technology. These contracts allow Live Nation-Ticketmaster to reduce competitive pressure to improve its own ticketing technology and customer service.
- **Retaliating Against Potential Entrants:** Live Nation-Ticketmaster successfully threatened financial retaliation against a firm unless it stopped one of its subsidiaries from competing to gain a foothold in the U.S. concert promotions market.
- Threatening and Retaliating Against Venues that Work with Rivals: Live Nation-Ticketmaster's power in concert promotions means that every live concert venue knows choosing another promoter or ticketer comes with a risk of drawing an adverse reaction from Live Nation-Ticketmaster that would result in losing concerts, revenue, and fans.
- Restricting Artists' Access to Venues: Live Nation-Ticketmaster has increasingly gained control of key venues, including amphitheaters, through acquisitions, partnerships, and agreements. Live Nation-Ticketmaster restricts artists' use of those venues unless those artists also agree to use their promotion services.

Acquiring Competitors: Live Nation-Ticketmaster strategically acquired smaller and regional promoters
that it had internally identified as threats. This has undermined competition and impacted artist
compensation.

The lawsuit asks the court to restore competition in the live entertainment industry by prohibiting Live Nation from engaging in its anticompetitive practices and ordering Live Nation to divest Ticketmaster.

Live Nation Entertainment Inc. is a Delaware corporation headquartered in Beverly Hills, California. It describes itself as the "largest live entertainment company in the world," the "largest producer of live music concerts in the world," and "the world's leading live entertainment ticketing sales and marketing company." Live Nation owns or controls more than 265 concert venues in North America, including more than 60 of the top 100 amphitheaters in the United States. It generates over \$22 billion globally in annual revenue.

Ticketmaster is a Virginia limited liability company with headquarters in Beverly Hills, California. Ticketmaster sells concert tickets to fans when those tickets first go on sale and operates resale platforms that enable purchasers to resell those tickets. Ticketmaster is by far the largest concert ticketing company in the United States, multiple times the size of its closest competitor.

Attorney General Raoul joined the DOJ's complaint as part of a bipartisan coalition of state attorneys general that includes the attorneys general of Arizona, Arkansas, California, Colorado, Connecticut, the District of Columbia, Florida, Maryland, Massachusetts Michigan, Minnesota, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Virginia, Washington, West Virginia, Wisconsin and Wyoming.

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