

## LIVE NATION/TICKETMASTER MERGER INQUIRY

### Summary of hearing with Eventim held on 16 March 2010

1. Eventim said that the world had changed as a result of the merger. [REDACTED]
2. Eventim stated that the agreement between Eventim and Live Nation (LN), signed in 2007, was a 'win-win' situation. In the USA, LN would use Eventim's software and, around the world, LN would have a new ticketing partner. The agreement would end LN's dependence on Ticketmaster.
3. Eventim said that, following the completion of the merger, LN had announced that it would stop using Eventim's software in the USA. The Letter of Intent (LOI) had been drafted to provide LN with its principal benefit in the USA, where LN had been most keen to expand its self-ticketing, [REDACTED].
4. [REDACTED]
5. [REDACTED] The LOI stated that LN was obliged to place all its controlled tickets on Eventim's system and platform but LN was free to determine which sales channels to choose to sell its tickets. [REDACTED] The freedom in the LOI for LN to choose its own sales channels was to allow it to form partnerships with physical retail stores (eg HMV) and to ensure that it could make agreements with artists and sponsors which wanted to be able to offer tickets for sale. [REDACTED]
6. Eventim admitted that the LOI was not a perfect legal document, but this did not change how the agreement would have worked without the merger. To form a view on the counterfactual it was necessary to go beyond the wording of the LOI.
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. Eventim said that the principal driver of consumer behaviour was content. Consumers went to where the content was available as they would always search out the tickets for their desired event. Recently, LN had made a mistake and when tickets for Eason Chan went on sale, they were made available through Eventim's website but not through LN's website. By the time LN realized its mistake, many of the tickets had been sold and, by the end of the first day of tickets being on sale, Eventim had sold four times as many tickets as Live Nation. This example showed that [REDACTED] when tickets were available exclusively on Eventim's site, consumers would find and buy those tickets.
11. Eventim said that how the UK market would have operated in the absence of the merger was not the same as how it operated prior to the merger. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]

15. [X]
16. [X]
17. Eventim noted that Which? agreed with the CC's finding that the market for the retailing of live music tickets is not fully effective and needs to be addressed. Which? suggested that this market was a very large consumer market and Eventim's entry would have a positive effect on competition. Which? has not raised concerns about a merger since 2001.