

## **STATEMENT OF PRINCIPLES – PRIMARY AND SECONDARY TICKET SELLING IN THE UK**

A ticket touting strategy group, established by DCMS after the November 2005 'summit', has been working with industry stakeholders to establish a comprehensive set of principles which will form the basis for a new set of guidelines covering the selling of tickets within the UK.

A key objective of the group has been to establish a sector-wide set of principles to clearly state for the first time how the sector should operate, and to which all operators must be subject. The guidelines will also cover Internet operators to ensure that best practice is maintained both on-line and in the physical market-place. In due course, the principles will be backed up by sector specific codes of practice like the STAR terms currently being consulted on.

The principles place a requirement on the sector to work amongst themselves, and with appropriate enforcement authorities, to improve the systems needed to identify those individuals breaching existing laws as well as committing the relevant parties to a strengthened code of practice to prevent the exploitation of the ticket buying public. The clear intention is to eradicate practices, such as misleading information, erroneous and futures selling that currently blight a legitimate market.

**As a minimum, any firm or individual involved in the selling or reselling of tickets must adhere to current regulations, legislation and guidelines. Any firm deviating from the law will be dealt with by the relevant enforcement agencies to ensure the ticket buying public is protected from exploitative practices.**

### **Statement of principles**

The principles that underpin the way in which the sector will be operating are;

- All tickets currently sold include some form of terms and conditions. These terms need to be kept under review to ensure they strike a fair balance between the rights of the fair-minded sports and entertainment consumer and the business needs and requirements of the event owners/promoters and ticket distributors.
- Establishing a fair returns policy which reflects the legitimate interests of both the event owner and ticket purchaser. The industry needs to move to a clear and transparent system, reflecting the diversity of the sector setting out the various scenarios and tariffs under which the returns policy is conducted.
- This also includes keeping under review the primary allocation mechanisms for tickets to allow real fans to get their hands on tickets in the first instance.
- The ticket distribution industry to establish a minimum industry standard where all relevant distributors are working to a common set of principles and standards to ensure best practice and consumer care.

- Any one involved in the selling, reselling or advertising for tickets must not condone, promote nor tolerate the practice of futures<sup>1</sup> selling. Any such practice must be dealt with swiftly by the delisting of the firms or individuals concerned [from the appropriate sectoral body].
- Internet advertising and ticket sales must operate to the same set of principles as 'physical' sales, in order to spread industry best practice and inspire greater public confidence. We expect existing regulations and guidelines on ticket sales to be fully endorsed and adhered to by Internet sellers.
- Where a ticket is sold by a business or individual, all key information that could affect the buyer in terms of potential enjoyment to be derived must be provided prior to the individual committing to purchase where practicable. This is crucial in addressing the imposition of 'unfair' terms and conditions. Such criteria must also apply to those tickets being sold by auction (both physical and on-line).

DCMS will continue to coordinate a cross-governmental response to this issue, and work with all relevant industry stakeholders to tackle the issue of ticket touting. DCMS will be undertaking a review of the issue within six to nine months. In particular, DCMS will;

- Work with other Government Departments and Trading Standards to ensure that the Penalties Review currently being undertaken by the Better Regulation Executive includes a review of current ticket touting penalties.
- Work with other departments, consumer protection enforcement agencies to simplify or strengthen current legislation in this area to aid with enforcement and compliance.
- Ensure ticket selling and touting issues will be addressed under the Unfair Commercial Practices Directive to be implemented in 2007.

DCMS

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<sup>1</sup> Futures selling is the selling of a ticket where the seller could not possibly have the ticket either because (a) the event does not exist or (b) the tickets have not been made available either through public sale or through fan clubs, debentures or any other means. Futures selling does not include people wanting to sell tickets even if they do not physically have it in their possession as long as they have paid for a ticket, but the tickets have not yet been mailed out