

To the Senate Standing Committees on Economics,

I would like to make a submission to the Senate Inquiry in to Ticket Scalping in Australia. My name is Carl de Vos and I am a regular concert goer with no interest in or affiliation with any ticketing agency, concert promoter or the like. I write this submission with recent experiences in mind including attempting to purchase tickets to high demand events like Bruce Springsteen and The Rolling Stones.

What struck me about these concerts was the fact that it was not possible to buy tickets within 10 seconds of them going on sale due to ticket allocations being exhausted. However a number of tickets were available on on-line trading sites such as ebay within less than half an hour at far higher prices. I appreciate that high demand concerts will sell out quickly, however the sheer number of tickets that are available through resellers on the same day is beyond reasonable. It is clear that there is a cottage industry of individuals seeking to rip-off genuine music lovers.

I note that one purchaser resorted to threatening legal action after the improbability of tickets being sold out so quickly to a Bruce Springsteen concert; I refer you to this News Limited article: <http://www.heraldsun.com.au/news/law-order/bruce-springsteen-fan-sues-ticketek-and-frontier-touring-over-inferior-seats/story-fni0fee2-1226756513146>.

Ticket scalping is not limited to private individuals. Legitimate ticket sellers and concert promoters reserve batches of the best seats and sell them off on other trading websites themselves at greatly inflated prices (such as viagogo.com). There is a lack of transparency with regards to how these agencies operate and conspire to inflate ticket prices. I recommend that the Committee give further consideration to this issue as I believe it is anti-competitive and an abuse of market power; whilst the practice is more widespread in countries such as America, I believe there are lessons we can learn to prevent this becoming more widespread in Australia. There is also a lack of transparency regarding the setting and publishing of transaction fees however this appears to be out of the scope of this inquiry.

It has been known that criminals purchase tickets with stolen credit cards and scalp tickets which are later cancelled unbeknown to the final buyer. Purchasing tickets through online market places has a bad reputation in the community; however this does not stop it from occurring. Online market places do disclose that tickets may be cancelled by the promoter without further notice, however the outcomes of this threat are never published, thus the public is suspicious at how rigorously it is enforced.

The current environment makes it incredibly difficult for regular concert goers to purchase tickets at the listed ticket price.

Two recent positive initiatives include withholding of issuing of tickets to some concerts until closer to the event (scalpers can't sell what they don't have) and the use of e-tickets, which increases the risk of purchasing from a scalper as a scalper can potentially re-print and on-sell the same ticket multiple times, thereby purchasers are more likely to avoid e-tickets. Initiatives of this nature should be encouraged.

These measures can be strengthened by requiring purchasers to provide their ID and receipt to a ticketing agency in order to retrieve their tickets at the event venue. Options such as these are

sometimes used by promoters at their discretion (see this recent example from a Queens of the Stone Age concert:

http://premier.ticketek.com.au/Content/pdf/Terms_Conditions/QOTSANIN14_PRESALE_TICKETING_INFORMATION.pdf) but should become standard practice.

I believe that there needs to be far greater controls in place to restrict the operations of scalpers, however it needs to be noted that there people who need to sell tickets after purchasing them because they are not longer able to use the tickets due to a change in circumstances. I have been in this situation myself and have simply sought to recover monies spent rather than profiting from the transaction.

I believe the most expedient measure would be to legislate so that online market places such as ebay must cease allowing tickets to be scalped. This is the most obvious and effective measure. As a compromise, the ticket scalper should disclose to ebay specific information such as receipt numbers or seat numbers to enable the relevant enforcement agency to take any appropriate action to prevent scalping from occurring, such as cancelling tickets which are being unreasonably scalped, to cancel a scalper's ebay account and/or to cancel a scalper's ticketek/ticketmaster account.

In addition, ticket selling agencies such as ticketek could offer an after-market for tickets, whereby sellers are allowed to sell within a certain price ceiling to willing buyers, for example, limit profit on these tickets to 10%. The agencies could charge a reasonable fee for doing so.

Online market places could also compulsorily publish the original, listed ticket price of the ticket being scalped so that a potential purchaser is informed of the profit being sought by the scalper. They could also ban auction style listings, and make it compulsory for sellers to list their desired price, and grant potential buyers the ability to make their best offer instead. This may have the effect of putting downward pressure on prices for scalpers rather than the opposite in an auction style sale.

Whilst we should be able to operate within a free market, technological advances such as online booking systems and online market places have fostered an environment for profit-seekers to take advantage of the market and extract high prices at the expense of genuine music lovers.

I trust that this letter meets the requirements of a Senate Inquiry Submission and remain available should there be any further queries.

Yours sincerely,

Carl de Vos.