

**Written evidence submitted by**  
**Society of London Theatre and UK Theatre Association**  
**to the Culture, Media and Sport Committee's ticket abuse inquiry**

**Introduction**

1. Society of London Theatre ("SOLT") and UK Theatre Association ("UK Theatre") are the trade associations representing the interests of those engaged in the production and presentation of medium to large-scale dramatic and lyric theatre in the UK. SOLT represents approximately 200 London-based producers, theatre owners and managers. UK Theatre represents approximately 220 theatres, concert halls, dance companies, producers and arts centres throughout the UK. UK Theatre also operates as a professional association, supporting over 1,000 individuals working professionally in theatre and the performing arts in the UK. Both memberships are drawn from subsidised and commercial theatre.
2. Combined annual attendance at our member venues exceeded 33 million people in 2013. This is more than the entire cumulative attendance at all English Premier League (13.6 million), English Football League (15.6 million) and Scottish Premiership (1.9 million) matches for the 2012/13 season.
3. Our evidence covers the following:
  - the secondary ticketing market as it affects the theatre industry;
  - abuse in the secondary market;
  - further observations.

**The secondary market in the theatre industry**

4. There is a marked difference between the secondary market for theatre compared with other sectors, such as music and sport. This is largely due to the fact that in such other sectors, the "event" usually occurs only once, whereas the opportunity to see a theatre production exists for a period of time.
5. For theatre, the use of online secondary ticketing platforms to exploit consumers is generally confined to resellers taking advantage of sold-out or high profile shows, usually being presented in the West End. For those shows, the reselling of tickets is a major issue.
6. The secondary market has little bearing on primary market prices, but it can have an adverse impact on the availability of tickets in the primary market, by reducing the number of tickets available to bona fide customers at the box office price. The combination of this reduced availability (or non-availability) of tickets and the high prices stated on the secondary platforms (even though this is not necessarily the price

at which tickets are ultimately resold) generates a negative perception of the theatre industry in the eyes of the public.

### **Abuse in the secondary market in the theatre industry**

7. Although some secondary ticketing platforms may offer certain guarantees to buyers (eg replacement tickets or a refund if tickets are invalid or not delivered), if there is an issue with a ticket bought on such a platform, it will still, primarily, be the theatre which has to resolve it, dealing with the customers and potentially having to turn them away. Not only does this require resources, but it also casts the theatre in an unfavourable light. It certainly ruins what should otherwise be an enjoyable experience for the customer and has the potential to undermine the confidence of theatregoers generally.
8. We are therefore strongly in favour of legislation imposing greater restrictions on secondary ticketing platforms and offering greater transparency and protection for consumers.
9. We have observed that secondary ticketing platforms are generally not complying with the information requirements in section 90 of the Consumer Rights Act 2015 (CRA). For example:
  - in many cases, the seat number is not provided;
  - in some cases, the row number or letter is not provided either;
  - in some cases, a range, eg “original face value £10 - £50”, instead of the actual face value of the ticket is given.
10. Unless the CRA is actively enforced, that legislation cannot achieve its purpose. We therefore welcome the Competition and Markets Authority’s investigation into the main secondary ticketing platforms and are pleased to note that the Government in its response to Professor Waterson’s review of the secondary ticketing market has pledged to provide funds to National Trading Standards.
11. We are also concerned about the potential implications of the continued and ongoing use of bots to theatre audiences. We are aware that there have been bot attacks against Nimax Theatres in relation to Harry Potter tickets, which such attacks are believed to have originated outside of the UK.

### **Measures taken by producers and theatres**

12. Our members are concerned about the impact of the practices of the secondary ticketing platforms and are working hard to combat the issues they encounter. Theatres and producers use various measures to seek to retain control of tickets in order to protect bona fide customers. For example, they might limit the number of tickets per customer, delay sending out tickets until 2 or 3 weeks before the performance, request that purchasers of multiple tickets collect tickets in person at the box office and/or hold back a number of tickets to make available on the day of the performance (often at a low price).

13. If the seat number is not stated in accordance with the CRA, there is little a primary seller can do as, without the seat number, they will not be able to identify the original or to ensure that a ticket is genuine.
14. We are aware that Delfont Mackintosh Theatres are operating a paperless ticketing system for the West End presentation of Hamilton. This requires bespoke technology (supplied by Ticketmaster as the sole ticket agent). No traditional tickets will be issued in advance and the payment card used by the customer to purchase their tickets together with the original email confirmation and photo ID will permit the customer admission to the theatre on the night. The intention is that if people cannot meet these requirements, they will be turned away from the theatre.
15. We are also aware that the producers of Harry Potter and the Cursed Child have a system in place whereby if a customer arrives at the theatre for a show with a resold ticket in breach of the original terms and conditions of ticket sale, the box office/theatre staff may at their discretion ask the customer to re-purchase the ticket from the box office. The customer then needs to seek a refund from the secondary site on which they purchased the ticket. The producers' terms of sale for the tickets include a provision rendering the ticket void on the resale of the ticket.
16. However, even a combination of the measures referred to above does not prevent tickets appearing on secondary platforms. For example, there are currently tickets for Hamilton advertised for sale on Viagogo. Theatres and producers are also concerned not to introduce so many measures that bona fide customers are deterred from buying tickets.

### **Further observations**

17. We think it is important that customers with a genuine reason for selling on a ticket that they can no longer use are able to sell that ticket on at a fair price.
18. There is a concern within the theatre industry that terms banning resale of tickets may be considered unfair and thus void pursuant to the terms of the CRA. We welcome the news that the CMA has agreed to work with other consumer protection bodies and with the live events industry to develop best practice guidance on the application of unfair terms legislation to ticketing terms and conditions because the industry needs clarity.
19. Attempts to combat exploitative resellers by enforcing prohibitions on resale in terms and conditions require significant resources, which few theatres and producers have at their disposal. Over the long-term, our statistics tell us that only one-third of West End productions recoup their initial investment.
20. We would welcome legislation to ban the harvesting of tickets by automated software and are very pleased to note that the Government, in its response to Professor Waterson's review, has made proposals to deal with such issue in the Digital Economy

Bill. We have urged our members to contact Action Fraud UK in the event that they experience bot attacks.

21. SOLT and UK Theatre have participated in the industry meetings organised by STAR and attended by representatives of BEIS, DCMS and the CMA following the recommendations in Professor Waterson's review that the industry form a project group for the primary market. We are keen to continue to engage with other industry organisations in the implementation of the recommendations in Professor Waterson's review.
22. We want theatregoers to have the best experience possible at a fair price and for theatres and producers to have the means to exercise greater control over the resale of tickets for their shows. Unauthorised secondary ticketing platforms and cyber attacks undermine this and we therefore believe that stronger measures need to be put in place.

24 March 2017