

Public Interest Groups Call on Justice Department to Block Ticketmaster/LiveNation/Comcast Merger

WASHINGTON, DC (December 1, 2009) – Five of the nation's most prominent public interest groups, including the National Consumers League (NCL), the American Antitrust Institute, the Consumer Federation of America, Consumer Action, and Knowledge Ecology International today called on the Department of Justice (DOJ) to block the proposed merger by entertainment giants Ticketmaster and Live Nation. DOJ is currently reviewing the merger and is expected to make a decision in the next month.

“This merger would be a disaster for consumers. Nothing short of blocking this takeover of the ticket market by two industry behemoths will be acceptable,” said NCL Executive Director Sally Greenberg. “Spinning off a small part of Ticketmaster is no answer. Suggestions that Comcast - a company that is a master of unnecessary and exorbitant charges - entering into the merger negotiations will fix a bad deal are laughable and do nothing to ease the sting of a deal that is anti-competitive and anti-consumer on its face.”

“We all know the saying ‘if you can’t beat ‘em, join ‘em.’ That is exactly what Ticketmaster and Live Nation are attempting to do. Were this merger to be allowed to proceed, it would kill even the modicum of competition that currently exists between the two companies.” said Greenberg. “Time and time again Ticketmaster has shown it won’t accept any competitive players on its turf. By bringing in Comcast, Ticketmaster is simply pulling one more competitor off the field.”

As Bloomberg News recently reported, Comcast Spectacor owns multiple professional teams (including the Philadelphia Flyers and 76ers), controls the facilities where they play and their ticketing businesses. Comcast was also one of the investors in the company that sold the Paciolan ticketing software program to Ticketmaster in 2007.

“The new Department of Justice team is facing their first highly public antitrust test, one that consumers are watching with unusual intensity,” said Albert A. “Bert” Foer, President of the American Antitrust Institute. “The question is whether any conditional approval can benefit consumers as much as just saying ‘No.’ We are dubious that any divestitures will make this merger acceptable or will convince consumers that their interests are being protected.”

Ticketmaster first acquired the Paciolan ticketing software firm in 2007, prompting investigations from the Department of Justice. Prior to being bought out by Ticketmaster, Paciolan serviced a wide variety of ticketing clients, from universities to theaters to zoos, and is now poised to be returned to Comcast if reports of the divestiture requirements are true.

“This merger is an insult to both musicians and consumers,” said James Love, Director of Knowledge Ecology International. “It will lead to higher prices and less interesting music and art. The last thing we need is fewer corporate entities controlling more of our culture.”

“Consumers deserve a fair deal in the entertainment marketplace, not the fewer choices and higher prices that would result from this merger,” said Susan Grant, Director of Consumer Protection at Consumer Federation of America.

The groups went on to say that by including Comcast in the merger negotiations, Ticketmaster is simply transferring its power to a partner renowned for its market domination and exorbitant prices. “These companies are not popular with consumers,” said Linda Sherry, Director, National Priorities for Consumer Action. “Allowing this merger to proceed would make a bad market for consumers much, much worse. We strongly urge DOJ to block the merger without conditions.”

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About the National Consumers League

The National Consumers League, founded in 1899, is America’s pioneer consumer organization. Our mission is to protect and promote social and economic justice for consumers and workers in the United States and abroad. For more information, visit www.nclnet.org.

About the American Antitrust Institute

The American Antitrust Institute is an independent non-profit education, research and advocacy organization. Since its formation in 1998, the AAI’s mission has been to increase the role of competition, assure that competition works in the interests of consumers, and challenge abuses of concentrated economic power in the American and world economy. To learn more about the AAI, please visit www.antitrustinstitute.org.

About Consumer Action

Consumer Action, founded in 1971, is a national non-profit consumer education organization headquartered in San Francisco with offices in Los Angeles and Washington, DC. For more information, please visit www.consumer-action.org.

About the Consumer Federation of America

The Consumer Federation of America is a non-profit association of more than 280 groups that, since 1968, has sought to advance the consumer interest through advocacy and education. For more information, please visit www.consumerfed.org.

About Knowledge Ecology International

Knowledge Ecology International is a non-profit public interest organization, supporting work carried out earlier by the Consumer Project on Technology (CPTech), an organization that has participated in a number of merger reviews, including those involving legal publishing, retail distribution, and media concentration and telecommunications regulation. www.keionline.org.