

**State of Minnesota**  
**Senate Committee on Commerce & Consumer Protection**  
**Senate File 2003**  
**Testimony of Tyler St. Clair, Vivid Seats**

Good afternoon Chair Klein and members of the Committee on Commerce and Consumer Protection. For the record, my name is **Tyler St. Clair**, and I serve on the Public Policy team for Vivid Seats, a ticket resale marketplace which aims to connect fans with memory-making live events. I am here today to testify in support with amendments for Senate File 2003. We very much appreciate the opportunity to provide our perspective on how best to protect ticket purchasers in Minnesota.

Vivid Seats offers award-winning customer service, we have been routinely featured on Newsweek's list of "Best Companies for Customer Service" in ticketing. We accompany that service with the leading loyalty program in the industry that rewards every purchase. When a fan buys 10 tickets from us, the 11<sup>th</sup> ticket is free. Since our loyalty program's inception Minnesotans have earned hundreds of thousands of dollars' worth of reward credits.

When fans buy tickets on our platform, they do so with peace of mind. Every ticket sold on Vivid Seats is backed by our 100% Buyer Guarantee - a promise that the fan will receive valid tickets, delivered on time and as described - or else the fan gets their money back. We support this guarantee with a 300-person call center located in Texas, with hours from 7:00 AM to midnight. We are also a proud partner of Major League baseball and, beginning next year, a fan can buy a ticket on our app and then use our app to enter any MLB stadium.

People buy tickets from us not only because of our excellent customer service, but also because many times tickets offered on our site are priced at less than face value. Last summer, the Sports Fans Coalition published a study that examined resale prices paid by fans over a five-year period on resale marketplaces and found that fans saved over \$260 million dollars on sports tickets by buying them on the resale market.

We support the pro-consumer intent behind Senate Bill 2003 and appreciate the sponsor's interest in our industry. We look forward to continuing to work with him on this effort and, in particular, we have provided suggested edits to the bill to ensure that competition between live event marketplaces continues to thrive for the benefit of Minnesota consumers.

Although there are several concepts in this bill that we support, including clear pricing disclosures and prohibitions on deceptive marketing practices, we are concerned that certain provisions in this bill may have an unintended anticompetitive impact. In particular, defining a ticket as a "license" could allow the dominant primary ticket seller to revoke tickets from consumers for arbitrary reasons, including objection to resale. Now that over 90% of tickets are digital and can be revoked remotely, there are numerous recent examples where this has happened.

Fans are hurt when the primary seller restricts the transferability of tickets. As is the case with most property, a ticket belongs to the fan who holds it, and that fan should be able to transfer the ticket on a platform of her choice if she does not use the ticket herself. They're her tickets. Defining a ticket as a license could intensify this problem and could have a significant negative impact on competition since resale could be restricted only to platforms operated by the dominant primary seller. As we have seen with primary sales in ticketing, where one company processes the majority of the sales, when competition decreases, prices increase.

Similarly, we're concerned with vague language in the bill that could prohibit resale sites from describing tickets for resale and appear to prohibit the use of seating charts to direct fans to seats. We hope to work with the sponsor to clarify this language and arrive at an outcome that will protect consumers and protect competition in Minnesota.

Thank you. I am happy to answer any questions that you may have.