

**Letter from the Chair, Culture, Media and Sport Committee to
Rt Hon Karen Bradley MP, Secretary of State, DCMS (OTA0006)**

Dear Karen

Ticket abuse

As you will have seen, we took evidence last week into the abuse of ticketing, starting with a focus on the distortion to ticketing markets through the use of technology (bots and software) by some to obtain large numbers of tickets as soon as they are released on general sale thus restricting availability to fans and pushing up prices of any tickets available for re-sale. This appears to be a significant problem, which Nigel Adams attempted to tackle through an amendment to the Digital Economy Bill.

Our evidence session, however, shed a light on much more far-ranging and disturbing factors in the ticketing markets, including clear indications of too close relationships between those selling tickets on the primary market and sellers on the secondary market. We were concerned by witnesses' failure to give satisfactory answers to our questions about where ticketing companies' main profits were being made and over a blatant case of an individual business in a Group breaking the conditions of sale set by a venue.

We were also concerned over the willingness of the ticket selling companies to even try to identify, let alone bar, large-scale ticket touts and fraudulent sellers. The evidence suggested that secondary platforms were not making any effort to police their sellers to ensure they were complying with the law, and it even seems that business relationships exist between secondary platform operators and the traders who are reselling tickets via their sites at what seems an industrial scale. This led us to conclude that a fuller investigation of the whole area of ticketing is needed but there was broad agreement that certain actions could and should be taken now.

We understand that you are holding a roundtable on this area at the end of the month and a Competition and Markets Authority investigation is expected to report shortly on whether ticket companies are complying with consumer law. In the meantime, we heard strong evidence indicating there is a significant level of under-reporting of income by known touts trading on secondary sites and we urge you to raise this with HMRC as an area which warrants their investigation.

A strong area of unanimity among our witnesses, both artists, sporting bodies and ticketing platforms, is for immediate measures to be taken to make it an offence to use digital ticket purchasing software to buy up an excessive number of tickets for events, as has happened in other jurisdictions. The Computer Misuse Act 1990 does not seem to allow sufficient provision or clarity in this area and as such there is a strong case for new legislation here to prevent individuals manipulating online ticketing systems.

We believe the Digital Economy Bill must be amended at Report stage. We recognise there are several issues at play here that distort the market but it would be helpful if you would set

out your position on criminalising the use of software to harvest tickets. We propose to publish your response to us to inform the House ahead of its consideration of the Bill on Monday.

Damian Collins,
Chair, Culture, Media and Sport Committee

22 November 2016