

BUSINESS

# Angry Taylor Swift fans push lawmakers to take on Ticketmaster

The ticket-sale meltdown last year has spurred a wave of legislative action at the state and federal level

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Texas state Rep. Krona Thimesch repeatedly heard her daughter cry as the college student tried to buy tickets last fall to see one of her favorite artists, Taylor Swift. Every time she made it to the final checkout phase on Ticketmaster’s website, the tickets just disappeared.

Many of Thimesch’s constituents were similarly disappointed, flooding her inbox and social media channels after the website buckled under what Ticketmaster called “unprecedented” demand to see the megastar’s Eras Tour.

“My daughter told me, ‘There’s nothing we can do about it. This is wrong,’” the Republican legislator told The Washington Post. “I said, ‘Actually, we can.’”

Across the country, lawmakers are introducing bills aimed at avoiding a repeat of the November [Ticketmaster meltdown](#), in which many of Swift’s fans tried and failed to buy tickets. The incident sparked waves of [ire among Swift fans](#) and policymakers alike, reigniting a debate over whether the company’s outsize market dominance is failing consumers.

In May, Gov. Greg Abbott (R) signed into law the “Save Our Swifties” Act, introduced by Thimesch, imposing fines on scalpers who use bots to hoard tickets. Last year, New York state enacted a measure to crack down on scalping and control the ticket-resale market. In Minnesota, House File “1989” — a reference to Swift’s fifth studio album — would require Ticketmaster and other companies to include their fees in prices upfront. And in Washington state, lawmakers are considering a bill aimed at regulating the secondary ticket market and stabilizing ticket prices.

And that's only at the state level. Sens. Amy Klobuchar (D-Minn.) and Richard Blumenthal (D-Conn.) have introduced a bill that would put federal regulatory scrutiny on the long-term contracts that Ticketmaster holds with concert venues — an issue raised during a January Senate hearing in which lawmakers on both sides grilled a top company official.

Meanwhile, Sens. Ted Cruz (R-Tex.) and Maria Cantwell (D-Wash.) introduced a price transparency bill in April, and Sen. John Cornyn (R-Tex.) has proposed transparency and scalping reforms.

In the House, New Jersey Democratic Reps. Bill Pascrell Jr. and Frank Pallone Jr. have introduced the “Boss and Swift” Act (a nod to Bruce Springsteen), which seeks to enhance ticket-pricing transparency by updating legislation first introduced in 2009. A separate House bill, which President Biden hyped in his State of the Union address, takes aim at fees tacked on to ticket sales.

## Star power

In the past, lawmakers and musicians have attempted to challenge Ticketmaster's dominance, without much success. Pearl Jam boycotted the company in the 1990s and, despite some political momentum, largely failed to force big changes. Last August, Bruce Springsteen fans were shocked when ticket prices surged in some cases to \$5,000. But the Swift Ticketmaster debacle, amplified by a mass of concertgoers who flocked to social media to vent, has given the issue new life, industry experts said.

Another major factor in the recent momentum: Swift's star power.

Swift's most recent album, “Midnights” broke industry records with its release in October, dominating the top of the Billboard Hot 100 chart and becoming the most-streamed album in the first 24 hours of release on Spotify. More than 2 million tickets for the tour were sold the day of the Eras Tour rollout, the most ever in a single day, according to Ticketmaster.

“It's a lot of things that have to do with Taylor Swift,” said Carolyn Sloane, an assistant professor of economics of the University of California at Riverside, on why this particular event spurred mass action.

“She scaled her talent through demographic technology,” Sloane continued. “She got to her fans when they were very young, and she stuck with them. And then they went out into the world and made a case for how great she was — to their parents and friends and everybody.”

That group includes officials at the highest levels of the federal government, such as a bipartisan group of U.S. senators who repeatedly invoked Swift lyrics at a January hearing in which they questioned a panel about Ticketmaster's dominance in the live events industry, as well as state lawmakers who responded to the ticketing crash with legislation named after the superstar.

In the case of the “Save our Swifties” law, for example, a penalty of up to \$10,000 per violation would be imposed on scalpers who use bots to snap up tickets en masse. The measure, which will take effect in September, was supported by Ticketmaster and other ticketing agencies, Thimesch, the Texas Republican, said.

In Washington state, Rep. Kristine Reeves (D) introduced in January the “TSWIFT Consumer Protection Act,” which proposes limits on ticket resellers and expands the prohibition on using bots or software to buy tickets. The bill also proposed restrictions on dynamic pricing, which refers to price fluctuations based on demand.

Notably, that proposal didn’t receive the same support from Ticketmaster and other companies, Reeves said.

“Ticketmaster was being helpful in Texas because Texas was doing something in favor of Ticketmaster,” Reeves said. “Where Ticketmaster and I couldn’t see eye-to-eye was the fact that we were trying to regulate them more broadly and with more standards.”

After months of talks with Ticketmaster and industry lobbyists, Reeves paused her effort out of frustration. She hopes to redraft the measure in the next legislative session, months after Swift’s Seattle tour date.

“It became clear very quickly that [Ticketmaster was] hiring major lobbyists essentially to kill my bill,” she said.

In a statement to The Post, Ticketmaster did not specifically address those negotiations, but noted that it has had to “ramp up our engagement with policymakers because they are being inundated with misinformation peddled by scalpers.”

Some of the recently introduced legislation includes language pushed by pro-scalping groups, such as measures that would explicitly preserve the right of consumers to resell tickets, Ticketmaster added. But it said it does support some of the new measures, including fines against scalpers who use bots, as well as “all-in” pricing.

“We’re very hopeful the added attention on ticketing will help pass common sense reforms, and we want to be part of the solution,” Ticketmaster added.

A core issue, according to Eric Budish, an economics and entrepreneurship professor at the University of Chicago Booth School of Business, is whether popular artists such as Swift can restrict ticket resales as a way to deter scalpers and bots.

“It will be hard to fix the problems with the event ticket market” if artists like Swift can’t do that, explained Budish.

## Market failure

An even more fundamental question is whether Ticketmaster has become a monopoly — a charge it has long denied.

The company has steadily grown to dominate the industry since establishing its website in the 1990s, and it gained even greater power in 2010 when it merged with Live Nation Entertainment, a top show promoter. Regulators waved through the deal under a set of terms that, among other things, prohibited the company from retaliating against concert venues for using a ticketing company other than Ticketmaster.

Still, the merger allowed the company to control two major parts of the live events industry — show promotion and ticket sales — which critics have zeroed in on. Artists and other promoters allege the company has used these dual roles to force venues and artists to use only its services, which the company has denied.

The Justice Department took action in 2019, alleging that Live Nation had violated the terms of its merger, including threatening concert venues. The company agreed to clarify those terms in a settlement.

But Live Nation and Ticketmaster have been unable to shake the monopoly charge.

“The U.S. ticketing industry has never been more competitive than it is today, both within primary ticketing and the enormous secondary market,” Ticketmaster told The Post. “There is intense bidding competition for every ticketing contract, and this has resulted in venues and teams receiving more of the economic value in a ticketing contract while ticketing companies such as Ticketmaster receive less.”

Live Nation told The Post that “since the merger, Ticketmaster’s market share has gone down, not up.”

What is clear is that Ticketmaster is far larger than its competitors. In 2022, it sold more than 550 million tickets and reported more than \$16 billion in annual revenue. By contrast, Eventbrite, another publicly traded ticket seller, sold just over 87 million tickets and reported nearly \$261 million in annual revenue.

The debate erupted again last November, when the turbulent rollout of Swift’s Eras Tour tickets enraged fans. Would-be concertgoers reported waiting in frozen queues and broken checkouts on Ticketmaster’s website, and many said they emerged empty-handed.

Ticketmaster blamed overwhelming demand and a “staggering number of bot attacks” for its website’s meltdown. But critics said the company should have been prepared, with some pointing to the failure as evidence that Ticketmaster had grown too large and should be broken up. A group of fans sued the company under California’s unfair competition laws, saying it “messed with the wrong fan base.” Swift voiced her own frustrations and likened her fans’ experiences to “going through several bear attacks.”

Now, policymakers are proposing fixes, and industry experts — and even Ticketmaster — say some might actually make a difference.

Sloane, the assistant professor at UC Riverside, says the New York bill might be “the most honest attempt at trying to get at some of these issues.” It imposes penalties on scalpers who use bots and places limits on reselling “holdback” tickets, which are distributed to artists, promoters and venues — and are not offered on the primary market. Both measures, Sloane notes, could boost supply.

The measure also requires companies to include the extra fees in prices before tickets are selected so customers are not surprised. Those surcharges can total an estimated 27 percent of the ticket price, according to a 2018 report by the Government Accountability Office.

While Gov. Kathy Hochul (D) signed the bill in June of 2022, months before the Swift ticketing meltdown, it was never put to the test because Swift's tour did not pass through New York, Sloane noted. "All-in" pricing has made its way into some of the state bills, however.

Sloane also points to the Senate bill introduced by Klobuchar and Blumenthal, which takes another tack by trying to increase competition. If enacted, it would effectively limit the long-term, exclusive contracts that Ticketmaster holds with large venues to four years, opening up opportunities for competitors. That could lead to lower prices for consumers.

Florian Ederer, an associate professor of economics at the Yale School of Management, calls the proposals for all-in pricing the "most reasonable" with a high chance of success.

"There is ... good empirical evidence that this type of drip pricing harms consumers," Ederer said, adding that any all-in pricing measures could change that.

For her part, Klobuchar said she was less concerned about the most recent Swift conflagration and more focused on the long-running issue of alleged monopoly and the costs it forces on consumers.

"Do I mind that her fans were up in arms? No," Klobuchar told The Post. But she wants to use the spotlight cast by her fans to seize the moment.

With that kind of attention, she said, Ticketmaster "can't live in the shadows."

## **CORRECTION**

An earlier version of this story had misquoted Sen. Amy Klobuchar's comment: "Do I care that her fans were up in arms?" It should read: "Do I mind that her fans were up in arms?" An earlier version of this story also misquoted Ederer. He said "drip pricing," not "re-pricing." The article has been corrected.