

# **Sharon Hodgson MP**

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# HOUSE OF COMMONS LONDON SW1A 0AA

The Rt Hon Jeremy Wright MP
Secretary of State for Digital, Culture, Media and Sport
Department for Digital, Culture, Media and Sport
100 Parliament St
Westminster
London
SW1A 2BQ

23 May 2019

Dear Jeremy,

# **RE: Ticket sales for sporting events**

On Thursday 9<sup>th</sup> May 2019, the All-Party Parliamentary Group on Ticket Abuse (APPG) met to discuss secondary ticket sales for sporting events, and how the industry protects tickets from touts, who sell tickets to genuine fans above face value, regardless of whether the ticket actually exists or not and without any regard for the current legislation as set out in the Consumer Rights Act.

The APPG has previously focussed predominantly on the music industry, but as the summer months and tournaments, such as the Cricket World Cup, Wimbledon and Royal Ascot, are quickly approaching, the APPG wanted to draw its focus to the sporting industry. That is why we write to you today.

The ethos of the sporting industry is very similar to music: giving people who will not necessarily ever have attended a sporting event, typically young and/or from a low socioeconomic background, the opportunity to access affordable tickets so they can attend events, engage with and potentially take up the sport. Each of the presenters to the APPG made that very clear. However, ticket touts are infringing on this ethos.

### Operating outside of the law

As is the consensus in all of the APPG's meetings, it was agreed that secondary ticket touts operate outside of and flout existing law.

The Consumer Rights Act makes it clear that sellers must provide seat, row and block numbers as well as, if the event organisers insist on it, the unique ticket ID number. Yet there are still examples of secondary ticketing sites that do not supply this information. This makes it very difficult for event organisers to keep track of tickets that are being sold on the



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secondary market. The need for the unique ticket ID number is especially important for events that don't always have set seats, such as at horseracing meetings.

Despite current legislation, touts are still able to illegally operate and rip genuine fans off. The legislation exists but, despite a long-running investigation by the Competition & Markets Authority, enforcement is still lacking. It is up to organisers, venues and promoters to monitor secondary ticket touts, cancel tickets where necessary, respond to disappointed fans who are denied access with invalid tickets (that they have paid way above face value for) and also ensure that fans are able to buy a face value ticket at the venue so that they can enjoy the event. Such expectations are unreasonable for organisers, venues and promoters. Someone in the meeting said: "we don't want to be the enforcers, but if agencies aren't there then we have to step in."

Ticket touts will continue to operate outside of the law until there is a sustainably funded agency to ensure that current legislation is enforced. Legislation coupled with enforcement can be successful, as highlighted by the 2012 Olympic Games. It is important that enforcement of consumer protection provisions in the secondary market is made a priority.

## Legitimisation

It was felt during the meeting that Google facilitate and legitimise secondary ticket touts by accepting sponsored advertising by websites, such as Viagogo.

FanFair Alliance found in June 2018 that in a random selection of 100 live music events in the UK that had not sold out Viagogo topped Google results on 52 occasions and were in the top two on 80 occasions.

During the meeting it was agreed that there was a similar issue for sporting events. Again, it was up to organisers, venues and promoters to point out to Google that the sponsored ads were against the terms and conditions of their tickets.

## Mixed messages for consumers

We welcome the strong words from the Minister for Digital and the Creative Industries, Margot James MP, and Damian Collins MP, Chair of the Digital, Culture, Media and Sport Select Committee, to advise fans in no uncertain terms to not use Viagogo. We ask why, if Ministers are having to issue such advice to consumers, more direct action is not being taken by Government?



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However, such messaging can be confusing for consumers with some organisations using Viagogo and Stub Hub as their official resale sites and, as mentioned, secondary sites being advertised at the top of a Google search.

A quick Google search of "should I buy from Viagogo?" brings up negative results from Martin Lewis and Trust Pilot (Viagogo boast a 1-star rating). However, some consumers are unlikely to consider researching Viagogo before purchasing from the site, as customers have often been unsuccessful in securing the first released tickets and, determined to attend the event, search for tickets elsewhere.

Despite making some improvements to their website, we still have concerns that Viagogo are not compliant with both consumer protection legislation and the terms of court order served by the Competition & Market Authority in November 2018. Viagogo should have reached compliancy with this order in January 2019.

We therefore believe that there should be a consumer education programme to protect fans from falling victim to ticket touts.

### **Examples**

Finally, we wish to highlight some specific examples that relate to tickets for sporting events:

#### Cricket

Please find attached an example from the Cricket World Cup for the India  $\nu$  Pakistan match at Old Trafford on  $16^{th}$  June.

These listings are in breach of the Consumer Rights Act, as they don't state the seat number – even though legitimate sellers are now in possession of this information.

The face value for these tickets is £70 and nowhere prior to point of purchase is this stated. The "VAT and convenience fee" is exorbitant at 2x £264 and merged into one. The site states that:

"VAT is mandated by law in your country and is used to fund public goods and services.

Convenience fee is what allows us to provide you with our great service if helps us verify your tickets are valid, ensure safe and secure delivery of your tickets in time for the event, and provide prompt customer service if you ever need it."

Therefore, the consumer cannot see what is a genuine VAT cost and what is a Viagogo cost of processing the transaction and what constitutes profiteering from the transaction.



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## **Rugby Union**

The RFU owns Twickenham Stadium and controls tickets for England rugby matches. It is a membership organisation and over 50% of tickets are sold to member rugby clubs at below market rate to reward involvement in the game at grassroots level. All profits are re-invested in the game.

Please find attached an example for the Quilter Internationals game England  $\nu$  Ireland at Twickenham on 24th August.

The consumer purchased two tickets from Viagogo on 8<sup>th</sup> May 2019, where she was shown a range of 8 seats. The consumer paid £324.02.

The face value price for these tickets is £15 each, and as can be seen from the order confirmation, these are concession tickets for children – something not listed on Viagogo when purchasing. The ticket that the consumer received lists the restrictions, which includes the prohibition of resale and resale above face value. The ticket also displays a name that the consumer does not recognise.

## **Horse racing**

With over 1,500 fixtures annually across 362 days, horseracing is a year-round sport hosted by venues that have large capacities and therefore events that very rarely sell out aside from the major meetings such as Gold Cup Day at the Cheltenham Festival and the Saturday of Royal Ascot. Traditionally around 50% of tickets sold are through walk up sales and means touts can take advantage of customers. This loses revenue for the sport that can be invested in prize money for the sport's participants, alongside welfare and integrity measures.

There is also an issue online, with Viagogo currently indicating there are only 200 tickets per day available for Royal Ascot in June, despite 45% of tickets still being on sale for Tuesday and Wednesday. There are also hospitality tickets on sale with the wrong face value being displayed. Generally, ticket purchasers for racecourses do not have a designated seat which means the legislation around providing a ticket ID number is especially important to help organisers track tickets being sold on secondary markets.

#### Football

There is a loophole by which touts and platforms simply circumvent UK legislation prohibiting the resale of football tickets by selling through offshore websites. The tickets never leave the UK, the touts are based in the UK and the tickets are sold to UK fans. The legislation (Section 166 of the Criminal Justice and Public Order Act, as amended by the Violent Crime Reduction



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Act) was put in place in order to prevent serious public order offences at football matches, but this is being undermined.

The legislation requires a simple amendment to make it supranational, as ticketing was for the 2012 Olympics. This would then enable law enforcement to have Google paid ads for football tickets removed and for action to be taken against bad actors in the UK. The ultimate sanction would be for Internet Service Providers to be ordered to block the visibility of unlawful websites from the UK.

It is clear that ticket touts will operate and rip off genuine fans for significant amounts of money. This is against the ethos of sporting events, damages their worldwide brand and hinders their ability to attract international visitors from when consumers experience such issues buying tickets. We therefore would appreciate if you could consider the sports industry, and the aforementioned problems, when working on ticket tout legislation and enforcement, to ensure that fans have a positive experience when purchasing tickets and attending events. No one should fall victim to ticket touts, but until enforcement action is taken, thousands more people are set to lose out. We therefore urge you to take serious action to protect sports fans and consumers.

Due to the significant public interest in this matter, a copy of this letter will be made public.

Yours sincerely,

Sharon Hodgson MP, Co-Chair of the APPG on Ticket Abuse
Dr Phillip Lee, Chair of the APPG on Sport
Lord Moynihan, Co-Chair of the APPG on Ticket Abuse and Vice-Chair of the APPG on Sport
Nick Smith, Vice-Chair of the APPG on Ticket Abuse
Alison Thewliss, Vice-Chair of the APPG on Ticket Abuse
Kerry McCarthy, Vice-Chair of the APPG on Ticket Abuse
Lord Clement-Jones, Vice-Chair of the APPG on Ticket Abuse
Pete Wishart, Vice-Chair of the APPG on Sport
Lord Addington, Vice-Chair of the APPG on Sport

Adam Webb, FanFair Alliance and Secretariat of the APPG on Ticket Abuse
Lisa Wainwright, Sport and Recreation Alliance and Secretariat of the APPG on Sport
Claire Turnham, Victim of Viagogo
Will Aitkenhead, Ascot Racecourse
Ross Hamilton, British Horseracing Authority
James Stebbing, Rugby Football Union
Reg Walker, Iridium Consultancy



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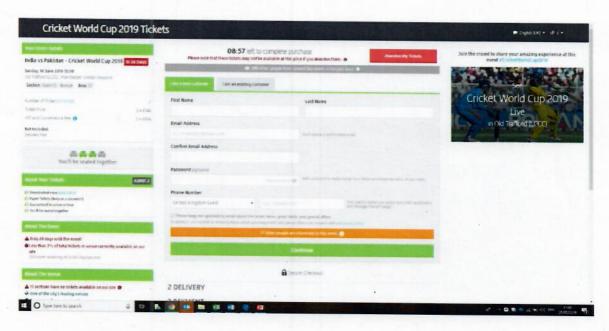
Cc.

Margot James, Minister for Digital and the Creative Industries; Mims Davies, Parliamentary Under Secretary of State for Sport and Civil Society; Tom Watson, Shadow Secretary of State for Digital, Culture, Media and Sport; Kevin Brennan, Shadow Minister for Arts and Heritage; Dr Rosena Allin-Khan, Shadow Minister for Sport; Damian Collins, Chair of the Digital, Culture, Media and Sport Select Committee

#### Attachments:

- 1. Cricket World Cup 2019 Tickets, Viagogo, 21st May 2019 (1 page)
- 2. Quilter Internationals 2019, Viagogo, purchased on 8th May 2019 (3 pages)







Dear lisa,

Congratulations! You're on your way to see England v Ireland - Autumn Internationals 2019 at Twickenham Stadium!

Please click here to validate your account. You will need to do this in order to be able to download your extickets.

#### When will I receive my tickets?

We're currently preparing your tickets. We'll notify you shortly, once your tickets are ready for download. You can track the status of your purchase at any time in My Account. In the meantime, please click the link above to validate your account. You will need to do this before you can download your e-tickets.

#### **Event Information**

Order ID: 21654878

England v Ireland - Autumn Internationals 2019 Section L9, Row 18, Seat(s) 379 - 386, (2 Ticket(s))

Ticket(s): Listing Note(s)

Concession ticket - child

Twickenham Stadium

Date:

Saturday, 24 August 2019 15:00 Event Restriction: Resale of tickets is prohibited for this event.

Resale of tickets above face value for this event is prohibited.

#### **Order Information**

Payment Method: Number of Tickets: Total Charge:

£324.02

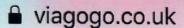
viagogo is the world's largest ticket marketplace where you can find tickets for all the best live events. Why not check out the latest Concerts, Festival Tickets, Sports Tickets and Theatre Tickets on viagogo now.

Remember if you have any spare tickets, you can sell them on viagogo.

Ticket price is often based on an event's popularity, ticket availability and the original cost of acquiring the tickets, including service and delivery fees. Face value per ticket (excluding fees): GBP 15

All orders are covered by viagogo's guarantee - find out













# YOUR TICKET TO

PLEASE REMEMBER TO PRINT THIS TICKET AT HOME





Quilter International: England v Ireland Saturday 24 August 2019

Kick-off: 15:00

ENTER BY GATE A, B OR C YOUR SEAT

> BLOCK L9 ROW 18 SEAT 380

Tidet face value £15.00

Wiss Umamah Abdulrahman (922403)

For safety reasons do not bring bugs into the stadio

#### IMPORTANT INFORMATION ABOUT YOUR TICKET

- 1. Your ticket is non-refundable and remains the property of the RFU at all times.
- 2. It is prohibited to onward sell or offer to sell this ticket in excess of its face value and it may not be sold through any online auction or other website, with authorisation of the RFU. This will result in cancellation of your ticket.
- 3. If your ticket is lost or stolen, you must notify us immediately and, subject to conditions, we will issue you with a duplicate which will invalidate your
- The RFU is not responsible for inconvenience caused by unauthorised duplication.
- 5. The RFU reserve the right to refuse admission to any ticket holder.

For full terms & conditions please visit englandrughy.com/tickets







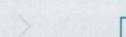
Did you know you are no nly supporting the England in by purchasing this ticker







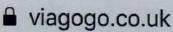














# YOUR TICKET TO







Quilter International: England v Ireland Saturday 24 August 2019

Kick-off: 15:00

ENTER BY GATE A, B OR C YOUR SEAT

> BLOCK ROW 18 379

Miss Umamah Abdulrahman (922403)

For safety reasons do not bring bags into the stadium. For full event timings please visit englandrugby.com

#### IMPORTANT INFORMATION ABOUT YOUR TICKET

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- 4. The RFU is not responsible for inconvenience caused by unauthorised duplication.
- The RFU reserve the right to refuse admission to any ticket holder.

For full terms & conditions please visit englandrugby.com/tickets







Did you know you are not nly supporting the England in by purchasing this ticket for Twickerham? Proceeds from your ticket purchase go back into rugby at all levels to find the next Ford or McLean. Thank you for your support.





















