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BUYING AND SELLING TICKETS IN THE TICKET RESALE MARKET

This Guide has been produced by Live Performance Australia (LPA) for Australian consumers to better understand the secondary ticket marketplace, also known as the ticket resale marketplace.

It addresses the following:

- **Checklist for Buying Tickets in the Resale Market**
- **What is the primary ticket market?**
- **How do refunds and exchanges work in the primary ticket market?**
- **What are my options if I am no longer able to attend an event, or change my mind about attending?**
- **Is it illegal to sell tickets above the original face value price?**
- **How does a ticket resale marketplace work and what are my rights when buying from ticket resale sites?**
- **Does the ticket resale market lead to inflated ticket prices?**
- **Who can I contact for further information?**



CHECKLIST FOR BUYING TICKETS IN THE RESALE MARKET

When buying tickets via a resale marketplace, LPA recommends the following steps:

- 1. Check all options for buying tickets**, including whether they are still available from the primary ticket seller. If you are unsure who is selling tickets for an event, check the official event or venue website, or call the venue directly.
- 2. Check if the ticket resale site has buyer protection policies.** Do they provide alternative tickets if the ones you purchased fall through? Will they provide a refund guarantee if tickets do not arrive or are invalid, or if the event is cancelled?
- 3. Check if the ticket resale site has a dedicated customer service team** so if anything goes wrong, you can get answers quickly.
- 4. If you are buying tickets priced at above its original face value, check that this is not against the law in your state or territory.** The onus for any legal breach rests with you, and not with the company running the site.
- 5. Check the terms and conditions which apply to the sale of tickets and entry for specific events carefully, as restrictions may be applied to the resale of tickets by the event organiser.** The terms and conditions of sale for tickets often state that tickets that are found to have been re-sold may be cancelled.



WHAT IS THE PRIMARY TICKET MARKET?

The primary ticket market is where the tickets for an event usually first go on sale. Buying from the primary ticket market ensures that you pay the original face value price of the ticket, and provides you with the strongest consumer protection if the event is cancelled or rescheduled.

TIP: LPA recommends your first choice when buying tickets should be to purchase them from ticket sellers in the primary ticket market (e.g. Ticketmaster, Ticketek and Moshtix).

HOW DO REFUNDS AND EXCHANGES WORK IN THE PRIMARY TICKET MARKET?

- The Australian live performance industry has a Ticketing Code of Practice (the **Code**) which is administered by the peak industry body, Live Performance Australia (LPA).

- **Under the Code, an automatic right to a refund or exchange is only possible in certain circumstances.**

Examples of these include if the event is:

- **Cancelled** (ticket holders will receive a full refund)
- **Postponed** (ticket holders may request a refund, or choose to hold onto their tickets until new dates are confirmed)
- **Rescheduled** (ticket holders may elect to obtain a refund if the new date is not convenient/suitable)
- **Significantly relocated**, so that the nature of the experience and/or geographic location of the event is fundamentally altered by the change of venue (the ticket holder may request a refund).

- Under the Code, discretionary refunds may be available in other circumstances, but refunds are not available simply because ticket holders change their mind about attending the event or are no longer able to attend, for example, due to work commitments, illness, or travel issues.



WHAT ARE MY OPTIONS IF I AM NO LONGER ABLE TO ATTEND AN EVENT, OR CHANGE MY MIND ABOUT ATTENDING?

- If you are no longer able to attend an event or no longer wish to go, the options available will depend on your particular circumstances and may include claiming under a ticket insurance policy (if you obtained insurance and your situation is covered), or selling your tickets in the ticket resale marketplace.

TICKET INSURANCE

- Many ticket sellers in Australia offer optional ticket insurance at the time of purchase. If you purchased ticket insurance and are then unable to attend the event you may be able to make a claim under your ticket insurance policy. Circumstances that may be covered under ticket insurance include:
 - ▶ injury or sickness of you or your companion for the event;
 - ▶ travel delays; or
 - ▶ your home being rendered uninhabitable by fire or flood preventing you from attending the event.

TIP: Check the policy wording of the ticket insurance carefully to ensure your circumstances are covered before you make a claim.

- If you do not have ticket insurance and there has been an extraordinary change in your personal circumstances such as a death in the family, you should contact the ticket seller about whether it is possible to obtain a refund. Please note, refunds in such circumstances are given at the discretion of the ticket seller or event presenter and are not an automatic right.

TICKET RESALE MARKETPLACE

- If you simply change your mind or can no longer attend the event due to other reasons, another option (other than simply giving the ticket away) may be to resell your ticket online through the ticket resale marketplace.



IS IT ILLEGAL TO SELL TICKETS ABOVE THE ORIGINAL FACE VALUE PRICE?

- There is no national legislation that restricts the price that individuals can resell tickets for in the ticket resale market.
- However, there are legal restrictions in individual states and territories that apply specifically to the resale of tickets in certain circumstances. It is important to note that in some instances, criminal penalties can apply in some states and territories where tickets are offered for resale above the original face value price (the price of the ticket when first released for sale on the primary ticket market).
- Presently at the time of writing:
 - ▶ The Australian Capital Territory, South Australia and Queensland have major event-specific legislation which restricts the reselling of tickets to events that are declared as 'major events' by the state or territory government, such as the AC/DC concert in Adelaide held in November 2015 or the *ICC Cricket World Cup* held in Canberra from February - March 2015.
 - ▶ Queensland and New South Wales have venue-specific legislation which restricts the reselling of tickets near or within certain venues, such as at select Stadiums Queensland venues and the Sydney Cricket Ground.
 - ▶ Victoria has sporting event-specific legislation to regulate the resale of tickets at certain major sporting events, such as *AFL Grand Final* games.



WARNING!

- **The onus for legal compliance rests with you when using the ticket resale market. It is not borne by the site facilitating your sale. If you do list tickets for sale in breach of any applicable laws you may face prosecution. In addition, the person you resell your ticket(s) to may not be granted entry to the event.**
- **You should check the terms and conditions which apply to the sale of tickets and entry to specific events carefully before reselling tickets, as restrictions may be applied to the resale of tickets by the event organiser. The terms and conditions of sale for tickets often state that tickets that are found to have been re-sold may be cancelled.**



HOW DOES A TICKET RESALE MARKETPLACE WORK AND WHAT ARE MY RIGHTS WHEN BUYING FROM TICKET RESALE SITES?

- When purchasing tickets to an event from online ticket resale sites, you are not afforded the same consumer rights that are guaranteed when purchasing from authorised primary ticket sellers.
- The ticket resale market is largely conducted online through three different types of resale websites that provide different levels of consumer protections:

1. EVENT-SPECIFIC TICKET RESALE SITES

How does it work?

- Event-specific ticket resale sites (e.g. resale facility for *Splendour in the Grass*) are authorised by the event organiser and provide a resale facility for consumers that have bought tickets to a particular event and can no longer attend the chance to on sell their unwanted tickets.
- These sites operate as a closed marketplace, in that only consumers that have bought tickets to the specified event of the resale site can offer their tickets for resale.
- Ticket prices on these sites are controlled by the event organiser and are not set by the individual consumer.
- Tickets offered for resale on these sites can only be sold at the original advertised price.
- These resale sites are primarily set up by event organisers for events in high-demand.

What consumer protections are provided?

- If you purchase tickets from an event-specific ticket resale site authorised by the event organiser, you will gain the same consumer rights that were attributed to the original purchaser.
- The ticket(s) is/are transferred into your name upon purchase.

2. DEDICATED TICKET RESALE SITES

How does it work?

- Dedicated ticket resale sites (e.g. Viagogo or resale sites affiliated with major ticketing companies such as Ticketmaster Resale) operate as an open online marketplace, where tickets are provided by multiple third parties. The resale site operator provides the website for use and processes the transactions on behalf of the individual seller and buyer.
- Prices for tickets on these resale sites can vary and are set by the individuals listing tickets for sale on the site. They can be sold at the original face value price or above or below the face value of the ticket.

What consumer protections are provided?

- If you purchase tickets from a dedicated ticket resale site you may be provided with some consumer protections by the site operator.
- For example, you may receive a guarantee that you will receive the tickets you paid for in time for the event or that you will be entitled to a refund if an event is cancelled.
- In some circumstances these sites may charge an additional fee for the provision of such guarantees.
- Each ticket resale site has different terms and conditions in regard to consumer protections. It is important to be aware of the terms and conditions for buying from these websites.



3. GENERAL SALE SITES

How does it work?

- General ticket resale sites (e.g. eBay and Gumtree), similar to dedicated ticket resale sites, operate as an open online marketplace where tickets among other products are provided by multiple third parties. The resale site operator provides the website for use and processes the transactions on behalf of the individual seller and buyer.
- Prices for tickets on these resale sites can vary and are set by the individuals listing tickets for sale on the site. They can be sold at the original face value price or above or below the face value of the ticket.

What consumer protections are provided?

- If you purchase tickets from a general sale site such as eBay or Gumtree, you effectively waive your right to a refund if the event is cancelled.
- In such circumstances, a refund would be returned to the original purchaser of the ticket, rather than to you, the secondary buyer.
- There is also greater risk that you may be purchasing from a fraudulent seller, who has intentionally sold the same ticket multiple times (which can be done using copied pdf versions of the ticket, for example). Such sites can also be at risk of listing stolen tickets, tickets purchased with stolen credit cards, and tickets that have already been cancelled.
- It is important to remember there are genuine risks associated with buying from such sites.

TIP: The prices for tickets offered on any resale site are set by the seller, not the operator of the site. For that reason, when purchasing a ticket through a resale site, you should always check the primary ticketing site before making your purchase. It is not unusual for tickets to be listed at above face value on ticket resale sites, when tickets still remain on the primary site for sale at face value.



WARNING!

- You should check the terms and conditions which apply to the sale of tickets and entry to specific events carefully before buying tickets from resale sites, as restrictions may be applied to the resale of tickets by the event organiser. The terms and conditions of sale for tickets often state that tickets that are found to have been re-sold may be cancelled.



DOES THE TICKET RESALE MARKETPLACE LEAD TO INFLATED TICKET PRICES?

- With the exception of event-specific ticket resale sites authorised by the event organiser, the ticket resale market is often accused of leading to inflated prices for popular events, and pricing genuine fans out of the market.
- It is important to note that the sites themselves do not set prices; they simply provide a marketplace where prices are set by each individual seller.
- If buyers decide the price listed is a fair price, then they can opt to purchase the ticket(s). In situations where demand for popular events outstrips supply and sell out quickly, consumers are often willing to pay premium prices to gain access to events that are sold out.
- Tickets sold in the ticket resale marketplace can also sell for less than the ticket's original face value depending on demand.

WHO CAN I CONTACT FOR FURTHER INFORMATION?

If you have further queries, please contact LPA at:

- **Telephone (during business hours): 03 8614 2000**
- **Email: info@liveperformance.com.au**
- **Post: Level 1, 15-17 Queen St
Melbourne VIC 3000**