

## TRAVELOG

### TICKET SUMMIT New York Jan. 6-8, 2009

*Ticket Summit Executive Director Molly Martinez with Srimayee Ray, Human Resources assistant at TicketNetwork; a popular panel on legal issues was moderated by Dan Pulliam of TicketNetwork (from left) and included Dustin Brighton of eBay, Braden Cox from NetChoice and Joe Freeman of Ticketmaster.*



*Making a big appearance at Ticket Summit this year was StubHub, which sent representatives Shaun Eidson and Scott Polhemus; after a hard days work TicketNetwork's Jeff Scheman, Don Vaccaro and Nick Eve kick back in the TicketNetwork booth with their 'happy' promotional toys.*



## ECONOMIC CONCERNS LINGER OVER INAUGURAL EAST COAST TICKET SUMMIT

It's a tough time to be an independent ticket broker. Such was the message at this year's Ticket Summit, the first of its kind on the East Coast. After three successful July meetings in Las Vegas, the Vernon, Conn.-based TicketNetwork had expanded its broker confab to midtown Manhattan's Waldorf Astoria hotel.

TicketNetwork CEO Don Vaccaro said about 650 people attended the event, mostly brokers who received very little good news during two full days of panel discussions and workshops.

As everyone already knows, the economy is on the brink of disaster and consumer spending is way down. Primary ticketing companies like Ticketmaster are looking for ways to control inventory with paperless tickets, while sports teams are starting to rethink the expansive secondary deals signed in the prior two years.

“Teams are worried that they signed secondary market deals and that tickets are going to be selling at reduced prices on the secondary market for a lot of choice games and it might cannibalize their box office sales,” Vaccaro said. “There’s fear that when their winning deals confront bad economic times, they could become big losers.”

Deals with baseball and basketball might see a shifting tide if non-prime tickets continue to move slowly, Vaccaro said. More important, many brokers are facing a changing role in the entertainment economy. Greg Betinelli, Live Nation Ticket’s new executive vice president of Business Development and Strategy, said his company sees brokers less as risk arbitragers and now as agents and affiliates of a distribution network.

“The market will change to find out who are our partners, and who are our foes,” he cryptically warned the crowd, arguing that Live Nation had about \$800 million worth of inventory move on the secondary market and his company soon expected to “extract about half of that.”

That could mean pricing primary tickets closer to their final street value after resale, or it could mean restricting ticket purchases and using paperless technology to discourage resale.

“If you use technology to acquire your tickets, you’re going to have difficulties,” he said, later adding, “We’re going to focus on getting the right tickets at the right price for the right fan. There may be some need in the marketplace for agents” like brokers.

Despite the dire outlooks, many brokers seemed unfazed by the cryptic warnings. After all, promoters and ticketing companies have been vilifying the secondary market for years, yet the industry still flourishes. Vaccaro said his goal for Ticket Summit was not to scare brokers, but to give them an opportunity to connect with executives in sports and entertainment.

“Brokers are still our number one clientele, but this year we had a lower percentage than they’ve ever been before,” Vaccaro said. “There were concert promoters, agents, managers, buildings and teams and the NBA exhibited and hosted a meeting as well. We want to involve many different stakeholders.” — Dave Brooks

*Interviewed for this article: Don Vaccaro, (860) 870-3400; Greg Bettinelli, (310) 867-7000*