

## LIVE NATION RESPONSE

"Australia's live entertainment industry is highly competitive evident by the fact that Live Nation is one of many promoters with TEG and Frontier among the top, while Ticketek is the largest ticketing agent in the country, and Live Nation operates less than 1% of music venues in the country (6 out of the approximately 2,700 venues). The economics of our business follow the same industry models as these other players. We are proud our Live Nation Australia team is operated by local Australians who live and work here to bring in some of the world's biggest acts to local fans while championing Australian talent and fuelling growth in the live music sector. Our investments in artists, venues, event organisers, and entrepreneurs have enriched Australia's cultural landscape and created thousands of jobs. Last year, we promoted over 100 Australian emerging and established artists, and we've successfully advocated for local Australian opening acts in 85% of the international acts we promote here."

### ADDITIONAL FACTS FOR REPORTING

According to industry sources, there are approximately 2,700 live music venues in Australia. Live Nation operates just six — one in New South Wales, two in Victoria, two in Queensland and one in South Australia — that's less than 1% of the market. Breaking that down by states, in New South Wales, with about 795 venues, Live Nation makes up 0.126% of the market. While Music Victoria's 2022 census reports approximately 1,000 live music venues in Victoria, where Live Nation makes up 0.2% of the market.

**DEVELOPING ARTISTS** — "Since 2016, Live Nation has promoted over 900 shows for developing artists in venues less than 1,500 pax capacity — reaching more than 556,000 fans. And, we've successfully advocated for local Australian opening acts in 85% of the international acts we promote here. Our business thrives on nurturing the next generation of talent, and we offer programs like Ones to Watch to foster emerging artists. We recognise the vital role grassroots music venues play in discovering new talent and applaud efforts to support these spaces. As dedicated operators in this space, we're eager to discuss measures that strengthen the Australian music industry and ensure artists have the opportunity to grow and succeed."

**AUSTRALIAN BUSINESSES** — "The live music industry in Australia is thriving, with more competition among concert promoters than ever. This year, Live Nation will have staged a record-breaking 1,400 performances. Live Nation partners with local event organisers and entrepreneurs, offering the financial support they need to grow and benefit their communities. Our business model aligns with standard industry practices ensuring that costs for artists and fans are consistent with industry standards, and our venue fees are highly competitive, with no merch fees for venues under 800 capacity to support developing artists."

**TICKETING – PRICING** — "Ticketmaster does not set prices, nor do we have or offer algorithmic surge pricing technologies. Ticketing companies do not control how artist teams and other event organisers price their shows or whether they adjust prices up or down based on demand. However, like other ticketing companies, we have tools to help artist teams understand demand for their tickets. It is the artist teams who decide which tools to use and how to best balance revenue goals with fan access. Artists are increasingly reliant on live music for their livelihood

and to support their crew and rising production costs. It is costly for most international artists to add Australia/New Zealand to their tour, and those costs have dramatically increased after Covid. Ticket prices need to compensate touring artists and ensure that Australia continues to attract many of the world's most popular artists."

**TICKETING – FEES** — "Primary ticketing companies, like Ticketmaster, do not set fees — venues largely decide fees when appointing the ticketing agent and cover costs for both the venue and the ticketing company. Ticketmaster complies fully with Australian Consumer Law by incorporating per ticket or percentage fees into the price of the ticket paid by fans, and prominently disclosing any optional or transaction level fees. These fees support essential services, including tech development and innovation, customer service, security and compliance, all of which require significant investment."

**FESTIVALS** — "Live Nation is committed to producing best-in-class festivals across Australia and has strategically postponed events to ensure premium fan experiences when conditions allow. Festivals play a crucial role in driving regional economic benefits, providing cultural value, while also supporting emerging acts with exposure to much larger audiences than would otherwise be possible for them. Our team is actively developing projects to ensure our festivals continue to benefit artists and the industry. While some festivals face challenges with rising costs, we're confident those with strong locations, talent, and a unique identity will continue to thrive long term in a competitive live entertainment market."

#### **FOUR CORNERS QUESTIONS**

**One band, Bad//Dreems, says on a tour last year at Live Nation venues booked by the company's booking agency Village Sounds, the band couldn't get the best deal for the concerts, getting paid less than 10% of the tour's gross. What is your response to that?**

"The promoter, working with the band's management, is responsible for booking venues. For the Bad//Dreems 2023 tour, Love Police—not associated with Live Nation—handled the promotion. As with all tours, the band approves the full plan and budget, including venue choices, ticket prices, merch fees, and the overall tour deal, before anything is confirmed."

**Did Live Nation offer Coldplay several million dollars for the company to run its tours in Australia over other local promoters?**

"No."

**Live Nation has been accused by people in the industry of cancelling shows or tours if they don't sell out or appear to be making a loss. Is that correct?**

"No."

**Is the company concerned that Australian authorities may launch a similar lawsuit to that of the US Department of Justice?**

"Live Nation vigorously defends against the baseless DOJ allegations and has published detailed information in connection with that lawsuit. Additionally, the market structure in Australia differs significantly from that in the US, and we do not believe there are any grounds for a similar claim in Australia."

**What did Live Nation do with the more than \$5 million grant package in NSW Government for three festivals including Sydney City Limits and Download Festival which have not appeared to go ahead?**

"The NSW Government grant package enabled Live Nation to retain staff and support workforce recovery during the pandemic. With events either scaled back or cancelled, we redirected resources to keep our team employed, plan for a safe reopening, and adapt to changing conditions. This funding also allowed us to deliver a series of events, including the Sydney Opera House Steps series in December 2022, providing crucial income to suppliers and stimulating local businesses and economies when they needed it most. All grants received have been acquitted in compliance with the funding requirements."

**The South Australian Government has entered a commercial agreement with Secret Sounds for government funding for Harvest Rock for three years from 2022 to 2024. This year's Harvest Rock has been cancelled — what will you do with that remaining funding?**

"Major events deliver enormous value for governments by boosting local businesses, local economies and supporting thousands of jobs. Contracts for major events are awarded through rigorous competitive tender processes, ensuring transparency and fairness, and are also considered under the careful review of diverse stakeholders. Live Nation did not receive funding for this year's Harvest Rock event."

**Live Nation entity Kicks Entertainment received a \$30,000 from the ACT Government for Spilt Milk which was cancelled this year. Have you returned that money?**

"That funding has been reallocated to support next year's event."

**Live Nation received a \$132,000 grant for "The Great Australian Podcast Festival" between March 2021 to January 2023. Did that event go ahead on those years?**

"This funding has been repaid to the Government."