

## Entertainment and Technology

June 29, 2017

### Ontario Proposes New Rules for Ticket Resale

On June 26, 2017, the Attorney General of Ontario announced proposed changes to Ontario's *Ticket Speculation Act*. The *Ticket Speculation Act* governs the resale of tickets to events such as music, sports and theatrical events. The proposed changes are intended to give fans a fair chance to attend such events and were spurred in part by the outcry over the tragically high secondary market ticket prices for the Tragically Hip's final show last year.

In 2015, the Ontario Legislature amended the *Ticket Speculation Act*, making it legal to resell tickets above their original face value. These amendments have proved unpopular with Ontarians and have resulted in increased ticket prices, according to a recent survey conducted by the Attorney General.

#### Highlights of Proposed Changes

The proposed changes include measures to increase transparency for consumers, ensure fans can access tickets from primary sellers, and strengthen the enforcement regime.

Transparency for consumers will be increased by requiring:

- primary ticket sellers to disclose the number of tickets available when tickets for general admission go on sale and to disclose the capacity of the event;
- ticket resellers and websites on which tickets are re-sold to disclose the original face value of the tickets, the precise seat location of the tickets, and the identity of any "commercial reseller"; and
- all ticket-selling businesses to disclose the all-in price (including currency) of a ticket up front.

Access to tickets from primary sellers will be enhanced by:

- banning the use of automated ticket-buying software - known as ticket bots - used to automatically buy tickets the instant the primary seller makes the tickets available online;
- forbidding the re-sale of tickets that are not owned or possessed by the seller; and
- capping the resale price of tickets at 50 per cent above face value.

The enforcement regime will be strengthened by:

- empowering the Ministry of Government and Consumer Services to investigate alleged violations of the *Ticket Speculation Act* and to issue monetary penalties and compliance orders as necessary;
- establishing new provincial offences, increased fines and monetary penalties for violations;
- creating dedicated rights of action for industry and consumers resulting from certain violations of the *Ticket Speculation Act*; and
- allowing the police to investigate and charge individuals caught using automated ticket-buying software.

The full extent of the proposed changes and their potentially significant impact – including specifically the creation of rights of action – will be clearer when the Attorney General introduces legislation this fall to amend the *Ticket Speculation Act*.

For further information, please contact any member of our Entertainment or Technology Groups.