

# Daily Journal

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PERSPECTIVE

## Legal Whiz of the Entertainment Biz

*Edward Weiss has one of the best seats in Ticketmaster's house. A weekly conversation with influential state general counsel debuts today.*

Looking for tickets to this year's Olympic games or a sold out stadium concert? Edward J. Weiss is a good guy to know.

The 45-year-old executive vice president and general counsel for West Hollywood-based Ticketmaster oversees the company's legal affairs in 20 countries, including China, host of the summer Olympics. During his decade at the company, Weiss says he has seen Ticketmaster grow from a strictly ticketing business to a "live entertainment company." He recently oversaw the company's purchases of Paciolan, a software ticketing provider based in Irvine, and TicketsNow, the second largest online re-seller of sports and concert tickets.

Before joining Ticketmaster, Weiss was an assistant U.S. attorney in Los Angeles and in private practice at Manatt, Phelps & Phillips. He graduated from UC Berkeley School of Law. Here's an edited conversation Weiss had with the Daily Journal:



Robert Levins / Daily Journal

### Corporate Counsel Q & A

**DJ: What's it like to jump from working for the U.S. attorney's office to working in the music biz? Are you looser than you were?**

Weiss: I think my boss, [Sean Moriarty] the CEO of the company, would tell you I'm anything but loose and could stand to be looser, but I think I am.

**DJ: What are the big legal issues facing you and your industry in 2008?**

Weiss: One issue that has received a fair amount of public attention is the use of automated programs to secure tickets, which is contrary to our terms of use and we believe a number of state and federal laws. We've taken a strong stand against that in our litigation in federal court in Los Angeles.

**DJ: Why is it bad for Ticketmaster's business to have automated programs purchasing tickets?**

Weiss: Because it's in our strong interest to protect the integrity of our Web site and our ticket selling process, to make things as fair as possible for our consumers and our clients.

**DJ: So it's a scarcity-of-tickets issue for real people?**

Weiss: It's a fairness issue. When we're hired by a ticketing client to put their tickets on sale to the public, we want to put their tickets on sale to the public.

**DJ: Is scalping illegal?**

Weiss: A handful of states and

### Edward J. Weiss

Executive Vice President and General Counsel of Ticketmaster

**Age:**  
45

**Size of Legal Department:**  
12

cities still have resale price caps in place, and those laws were written long before the Internet. Ticketmaster follows these laws wherever they exist, but online resale in particular is a reality, so we've been working with our clients to seek modernization of these laws across the country so resale can take place on a level playing field. You will always have fans who weren't able to get tickets when they were first made available, or who only find out at the last minute that they are able to attend an event, or who quite frankly are willing to pay a little more to try and get the best seats possible. But resale has to be done in a pro-consumer way. Using automated programs and ignoring rules in place for the benefit of fans is as anti-consumer as it gets.

**DJ: What act was the biggest seller for Ticketmaster in 2007?**

Weiss: The musical *Wicked* was the most requested event of the year.

**DJ: With CD sales declining, live shows are one of the few money makers in the music industry. Is that raising any interesting legal challenges?**

Weiss: Change creates opportunity for our business and our lawyers and that's what keeps our job interesting. Ticketmaster is continuing to develop new technology all the time and we're very involved in exploring new ways to help the music industry sell more music. For example, digital albums from iTunes are now offered for sale on Ticketmaster.com within the ticket purchase process. You can join an artist's fan club and receive a pass code for a digital download along with the opportunity to participate in a ticket presale before the general public.

**DJ: The Cleveland Cavaliers sued Ticketmaster last year claiming the company is trying to drive out competition. What's the status of that suit?**

Weiss: There was a jurisdictional decision that was made by the judge in California recently and so the case was transferred to Ohio and so it's actually just getting started. That was Ticketmaster's complaint for breach of

contract and the Cavaliers counter-claimed for alleged antitrust violations.

**DJ: Given the company's global reach, how are you dealing with the Foreign Corrupt Practices Act and other corporate governance laws?**

Weiss: We run an aboveboard business so I don't think there's any concern there.

**DJ: How is selling tickets in recently developing nations different from here?**

Weiss: We have to quickly learn and pay attention to the local culture and customs to make sure we learn how business is done in countries where we previously haven't done business.

**DJ: How much money do you spend on outside counsel?**

Weiss: Far more than we'd like.

**DJ: Is your spending up or down in the past two years?**

Weiss: Slightly higher, but generally flat considering the growth and initiatives pursued by our company over that period of time. We had a very busy year last year, especially within the transactional realm.

**DJ: What types of cases do you assign to outside counsel?**

Weiss: Any litigation matter, we have outside counsel. However, we're intimately involved in all of our cases. From editing briefs to making strategic decisions, selection of experts, litigation tactics, representations that we're making in court, making sure that everything is accurate and that the attorneys are acting ethically and in the manner with which we would want them to.

**DJ: What types of cases are handled exclusively in-house?**

Weiss: Our ticketing contracts, which is the bread and butter of our business. We have over 9,000 clients. We have numerous client deals that we are pursuing and that we have won and need to be negotiated and drafted. There are things where we have outside legal help but also have someone inside the legal department who is primarily responsible for it and driving it. For example, we have outside patent and trademark

counsel that advise us, but we have lawyers inside the legal department who are assigned responsibility for working it through to make sure that we are doing everything we need to be doing and help the business leaders understand what our options are and to get their input and to make sure that the legal strategy is in complete sync with the business strategy.

**DJ: What's your process for selecting outside counsel?**

Weiss: There are a number of firms whom we've worked with and had a good experience with over the years and we know readily are appropriate for that type of case or that type of matter. Then there are matters that haven't come up before and we do our best to solicit information and recommendations about other firms and other lawyers that might be a good fit for that type of case.

**DJ: What firms do you trust the most for big litigation matters?**

Weiss: The ones that we have worked with the most over the last few years and had great success working with have been Manatt, Phelps & Phillips; Gibson, Dunn & Crutcher; Knobbe Martens; and Greenberg Traurig. Karen Bertero at Gibson Dunn is our primary corporate contact.

**DJ: What's your biggest challenge in dealing with outside counsel in terms of oversight or collaboration?**

Weiss: To make sure that the legal activity is in complete furtherance of and consistent with our business objectives. It's one thing for a legal representative or an outside lawyer to do an outstanding job but if they are spending too much time on it or focusing on things that are not exactly consistent with what the business objectives are, it's not a good job.

**DJ: Were you affected by the sharp increase in associate salaries in 2007?**

Weiss: It's something that we're constantly watching and discussing with the primary representatives with the firms that we work with.

**DJ: Are you growing your in-house staff at all?**

Weiss: We have a couple of openings that we're seeking to fill, yes.

**DJ: Describe your ideal candidate.**

Weiss: Someone who has worked at a good law firm with a good training program, who has worked for excellent lawyers, who has gone through the firm's training program and worked on a lot of interesting, complex matters and is ready to make the move in-house and has already learned what it means to be a lawyer.

**DJ: A decade ago there was a boycott of Ticketmaster led by Pearl Jam's Eddie Vedder. The company seems to be moving beyond that. What happened?**

Weiss: I think Ticketmaster is slowly but surely becoming better understood. I think Ticketmaster has not done as good a job telling its own story as it could over the years. We've been a little bit reluctant to fully explain how great we are and what it is that we provide to the music value chain.

**DJ: What was the source of that reluctance?**

Weiss: We are still an agent for our clients, but over time we have evolved into more of a marketing and entertainment company where we are providing even more value to our clients and consumers than merely faithfully and efficiently and effectively handling the core ticket transaction. Now we are providing more email alerts, we're providing help with promotions, we're selling tickets in different ways.

**DJ: Do you go to a lot of Ticketmaster ticketed events?**

Weiss: Not as many as you might think. I try to but I don't get to more than maybe one a month.

**DJ: Who'd you see last?**

Weiss: I saw Bette Midler in Las Vegas with my wife for her birthday. That was her choice.

**DJ: What's the best show you've ever seen, and how much did you pay for the tickets?**

Weiss: Bruce Springsteen at the Oakland Arena, fall 1984. \$25, purchased from Ticketmaster.