

Qwest Center Omaha continues to be one of the leading concert sales venues in the country. Community leaders who had the foresight to make this facility a reality knew it would fill a void in our community that had been apparent for years. The first-class acts we have attracted and the sell-outs that have followed demonstrate this strong demand. These sell-outs are the result of incredible community support and an unbelievably strong, local fan base.

The following numbers illustrate the tremendous local interest fans had for Qwest Center Omaha's three fastest selling shows -- Paul McCartney, Kenny Chesney and U2.

- For Paul McCartney's 14-minute record sell-out, fans in the Omaha metro area bought 79 percent of the tickets for his Qwest Center Omaha show. When you extend that number to all Nebraskans and lowans, total ticket sales increase to 88 percent.
- For Kenny Chesney, which sold out in just 16 minutes, fans in the Omaha metro area bought 76 percent of the tickets while all fans in Nebraska and Iowa purchased a total of 94 percent.
- U2 represents a slightly different situation because history indicates fans will travel thousands of miles to see this popular group. This is the case with every city U2 plays. Still, 71 percent of fans in the Omaha metro area were able to purchase tickets, while 77 percent of total sales went to fans in Nebraska and Iowa. The remaining tickets were sold to fans from Wisconsin, Arizona, California, New York, Hawaii and Washington, DC. This national fan base provides an opportunity for our community, because these fans will travel to Omaha, stay in our hotels, eat in our restaurants, shop in our stores and visit our attractions. And once they experience Omaha's hospitality, they will tell their friends, family and co-workers about what a unique and enjoyable time they spent in Omaha, and the first-class facility Qwest Center Omaha offers concert fans.

Qwest Center Omaha officials are extremely proud of the performing artists coming to our community. However, this success has reinforced the need to educate fans on our ticket policies. For years, Omaha did not have a facility that attracted major acts, so it's understandable some people are confused and concerned about the quick sell-outs of some recent shows. While they may believe the problem lies with the ticket distribution system, this is simply not the case. Qwest Center Omaha along with Ticketmaster has many safeguards in place to protect the fans and give everyone a fair chance to purchase tickets.

Perhaps the biggest misconception is that Qwest Center Omaha controls concert tickets. The truth is that the concert venue has very little control of ticket sales. When a show is announced, it is the promoter and the artist's representatives who provide the approval to announce it. They determine ticket prices, which

sections in the Arena will be at the determined price levels, if the show will be reserved seating or general admission, and the day and time that the tickets go on sale. Each artist also controls its own fan club and determines if there is a fan club pre-sale, when it is, and how fan club members can get their tickets.

For the general public, there are several ways in which to buy tickets. The first way is to call the Ticketmaster Charge-by-Phone line. When a fan does this, they have two options. The first is to talk with a customer service representative, who is based in a call center in Charleston, West Virginia. If a fan does not get in touch with a customer service representative immediately, they will be put in "queue" for no longer than one minute. Once they are live with a representative, the transaction takes an average of two to three minutes.

Fans may also use an automated, voice-activated system, used by more than 50 percent of those who call. The caller is asked what state the event is in, the name of the event, and the date. From there, fans have three options for ordering their tickets, best available, by price, or ADA accessible seating. Once the tickets are chosen, the caller chooses how to receive them, either by mail, UPS, or by picking them up at Will Call. If at anytime during the phone call information needs to be changed, the caller can say "start over" and the transaction will start over. Near the end of the transaction, the caller enters their phone number and the system reads their address back according to the phone number. Finally, the caller provides their credit card number and completes the call. With this system, a customer service representative ultimately calls back to verify all of the information, including the credit card number.

The second way in which fans can buy tickets is by logging onto Ticketmaster.com. In this modern day and age, using this method has proven to be the most popular. Approximately 60-80 percent of fans use the Internet to purchase their tickets. The quickest way to get tickets early is for a fan to set up an account. In advance of an on-sale, they enter their name, address, phone number and credit card information. The information is permanently stored in the system so that anytime there is sale of concert tickets, the fan simply logs on under his or her account name and purchases tickets. A fan does not have to set up an account with Ticketmaster, however, having an account in place speeds up the purchase system.

This leads us to the safeguards in place to reduce the chance of scalpers purchasing all of the tickets. When a fan logs on to Ticketmaster, they must type in an optically skewed word that appears on the screen. This word is in place so scalpers cannot use their computers to automatically connect into the system time after time to purchase tickets. Although having the optically skewed word in place has helped, scalpers have found a way around the system. They hire people throughout the U.S. to physically log on to the system to purchase tickets. This is why an additional safeguard is in place, a ticket limit, mandated by each show, which varies from four to eight tickets per person.

Another safeguard is in place to prevent people from logging on, buying tickets, logging off and then immediately logging on again to buy more tickets. Ticketmaster's system only allows a credit card number and mailing address to be used once per show. If a fan tries to purchase tickets online more than once using the same credit card, the customer service representative is able to identify this attempt and will only process the first order that was received.

In addition, Ticketmaster thoroughly audits the credit card billing address information and an order must completely match the mailing address. This prevents a scalper from trying to use multiple mailing addresses with the same credit card number.

Some people who purchase tickets online choose the "Tickets Fast" method of receiving their tickets. This means their tickets are sent to them via e-mail to be printed out by the buyer. Obviously, these e-mail tickets can be copied and some scalpers try to sell them to unsuspecting fans. However the "Access Manager System," used by Qwest Center Omaha will only scan the first person who presents their ticket at the show. It will not accept the bar codes of the people who received the duplicated copies.

Let's say, for example, a scalper bought a ticket and made ten copies that were then sold to others. The first person with that ticket has their bar code scanned and gets in. When fans with the duplicate email ticket copies present their tickets to get in, the "Access Manager System" will show the code has already been scanned and the usher will not allow them access into the building. The buyer's name is also on the ticket and an usher can ask for identification, if necessary, as another way to ensure the person with the "Tickets Fast" is the one who the ticket was sent to.

The third way for people to buy tickets is to go to any Ticketmaster outlet. This includes 11 Bakers Supermarket stores in the Omaha metro area as well as Younkers at the Westroads and OakView Malls. Fans may also stand in line at the Qwest Center Omaha box office. All certified Ticketmaster outlets, including Qwest Center Omaha's box office, use the lottery system.

The lottery system makes the process of acquiring tickets fair for everyone. It prevents scalpers and helps the average person by allowing them to get in line at any time, versus having to camp out overnight or days before a sale. One half hour before the sale, a number is handed out to every person in line. One of our staff members then draws a number out of a hat. The person with the chosen number then moves to first in line and every number after follows. Because this system helps prevent people from camping out, it significantly decreases the chance for scalpers to be the first in line. Scalpers have historically paid people to stand in line, so the lottery system eliminates this scalper advantage. The other reason the lottery system is fair is because the majority of the time, the

average fan is not able to camp out overnight. The lottery system allows workers to take a break from work, parents to come down for a much shorter amount of time, and allows everyone to sleep in a little later on sale day.

One final opportunity for local fans is the chance to purchase Club Seats. This is an option that guarantees tickets for Club Seat holders if they choose to buy them. Sometimes, depending on the show, they can buy an additional two to four tickets for a show. The Club Seat program works because 96 percent of them have been sold to the public, with more seats being added with each major announcement.

Unfortunately scalping tickets is common in today's society. It is an industry-wide problem, not just an issue here in Omaha. Scalpers are relentless and will use every method possible to get their hands on tickets. They make their living by selling tickets for three to four times the face value, and succeed only because people continue to buy them.

The Rolling Stones recently announced their tour and tickets were immediately made available to fan club members. That same day, just hours after the announcement, e-Bay listed page upon page of Rolling Stones tickets for Giants Stadium in New York, Soldier Field in Chicago, Fenway Park in Boston, Orlando, Anaheim, Miami and Atlanta. Bidding for these tickets quickly reached from \$1,500 to \$3,500.

At Qwest Center Omaha, we realize some fans were disappointed when they were unable to purchase tickets to a show. The fact is big names like U2 and Paul McCartney *will* sell out in Omaha, Chicago, New York, London and every city on the tour. The ticket industry is about supply and demand, and for big name acts, the demand will undoubtedly outweigh the supply.

When applicable, the artist and artist's representatives are able to add a second show. That's what happened in Omaha with Kenny Chesney. However, scheduling conflicts prevented U2 and Paul McCartney from adding a second night.

During the past 20 months Omaha has experienced many other great concerts such as Prince, Simon & Garfunkel, Fleetwood Mac, The Eagles, Shania Twain and Green Day. Some of these shows sold out, the others were close. However, it took several weeks for the final tickets to be sold, ensuring every fan that wanted a ticket had plenty of time to purchase one.

Qwest Center Omaha was built because citizens realized this was a critical need for our community. The facility has become the cornerstone for Omaha's tremendous Riverfront development. It also has resulted in Omaha becoming one of the hottest concert markets in the country. Pollstar ranked Qwest Center Omaha 17<sup>th</sup> in the world for arena ticket sales during 2004, and promoters are

adding Omaha to their tours like never before. The reviews on the enthusiasm of the fans, and quality of Qwest Center Omaha facilities, are spreading throughout the concert industry, making Omaha an almost must stop for major tours.

Not only do we have our elected officials, civic leaders, planners and developers to thank for this, we also have our strong, local fan base to thank. Qwest Center Omaha was built for everyone. Our goal will be to continue to reward the fans, as we move forward in providing a first-class facility for everyone to enjoy, and continue to bring top-notch acts to Omaha.