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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

_____ Individually and on Behalf
of All Others Similarly Situated,

Plaintiff,

v.

LIVE NATION
ENTERTAINMENT, INC.,
MICHAEL J. RAPINO, JOE
BERCHTOLD, and JARED SMITH,

Defendants.

Case No.:

**CLASS ACTION COMPLAINT
FOR VIOLATIONS OF THE
FEDERAL SECURITIES LAWS**

JURY TRIAL DEMANDED

1 Plaintiff _____ (“Plaintiff”), by and through his attorneys, alleges the
2 following upon information and belief, except as to those allegations concerning
3 Plaintiff, which are alleged upon personal knowledge. Plaintiff’s information and
4 belief is based upon, among other things, his counsel’s investigation, which includes
5 without limitation: (a) review and analysis of regulatory filings made by Live Nation
6 Entertainment, Inc. (“Live Nation” or the “Company”), with the United States
7 Securities and Exchange Commission (“SEC”); (b) review and analysis of press
8 releases and media reports issued by and disseminated by Live Nation; and (c)
9 review of other publicly available information concerning Live Nation.

10 **NATURE OF THE ACTION AND OVERVIEW**

11 1. This is a class action on behalf of all persons and entities that purchased
12 or otherwise acquired Live Nation common stock between February 23, 2017 and
13 March 30, 2018, inclusive (the “Class Period”). Plaintiff pursues claims under the
14 Securities Exchange Act of 1934 (the “Exchange Act”).

15 2. Live Nation produces live concerts and sells tickets to those events over
16 the internet. The Company owns and operates over 195 venues throughout the
17 world, and the Company significantly expanded its ticketing services with the
18 purchase of Ticketmaster Entertainment (“Ticketmaster”) in 2010.

19 3. During the course of acquiring Ticketmaster, Live Nation agreed to the
20 terms of an antitrust consent decree with the Department of Justice (the, “Consent
21 Decree”). The Consent Decree contained specific rules to prevent the Company
22 from monopolizing live music promotion and ticketing.

23 4. On April 1, 2018, after the close of the market, The New York Times
24 published a story entitled, “Roster of Stars Lets Live Nation Flex Ticket Muscles,
25 Rivals Say.” Therein, the article alleged that the Company failed to abide by the
26 terms of the Consent Decree aimed to prevent Live Nation and Ticketmaster from
27 monopolizing the market for live musical performances. The article stated in
28 relevant part:

1 In 2010, when the Justice Department allowed the two most dominant
2 companies in the live music business -- Live Nation and Ticketmaster
3 -- to merge, many greeted the news with dread.

4 Live Nation was already the world's biggest concert promoter.
5 Ticketmaster had for years been the leading ticket provider. Critics
6 warned that the merger would create an industry monolith, one
capable of crippling competitors in the ticketing business.

7 Federal officials tried to reassure the skeptics. They pointed to a
8 consent decree, or legal settlement, they had negotiated as part of the
9 merger approval. Its terms were strict, they said: It would boost
10 competition and block monopolistic behavior by the new, larger Live
Nation.

11 ***

12 Ticket prices are at record highs. Service fees are far from reduced.
13 And Ticketmaster, part of the Live Nation empire, still tickets 80 of
14 the top 100 arenas in the country. No other company has more than a
15 handful. No competitor has risen to challenge its pre-eminence.

16 Now Department of Justice officials are looking into serious
17 accusations about Live Nation's behavior in the marketplace.

18 They have been reviewing complaints that Live Nation, which
19 manages 500 artists, including U2 and Miley Cyrus, has used its
20 control over concert tours to pressure venues into contracting with its
21 subsidiary, Ticketmaster. The company's chief competitor, AEG, has
22 told the officials that venues it manages that serve Atlanta; Las Vegas;
23 Minneapolis; Salt Lake City; Louisville, Ky.; and Oakland, Calif.,
were told they would lose valuable shows if Ticketmaster was not
used as a vendor, a possible violation of antitrust law.

24 5. On this news, Live Nation's stock price fell \$3.97 per share, or almost
25 10%, to close at \$38.17 per share on April 2, 2018, on unusually heavy volume.
26 The following trading session, Live Nation stock continued its decline, dropping
27 \$1.56 per share, or over 4%, to close on April 3, 2018 at \$36.61 per share.

1 **PARTIES**

2 12. Plaintiff, as set forth in the accompanying certification, incorporated by
3 reference herein, purchased Live Nation stock during the Class Period, and suffered
4 damages as a result of the federal securities law violations and false and/or
5 misleading statements and/or material omissions alleged herein.

6 13. Defendant Live Nation is incorporated in Delaware and its principal
7 executive offices are located in Beverly Hills, California. Live Nation's common
8 stock trades on the New York Stock Exchange (the "NYSE") under the symbol
9 "LYV."

10 14. Defendant Michael J. Rapino ("Rapino") was the President and Chief
11 Executive Officer ("CEO") of Live Nation at all relevant times.

12 15. Defendant Joe Berchtold ("Berchtold") was the President of Live
13 Nation beginning on or around January 2018.

14 16. Defendant Jared Smith ("Smith") was the President of Ticketmaster
15 North America at all relevant times.

16 17. Defendants Rapino, Berchtold, and Smith are collectively referred to
17 hereinafter as the "Individual Defendants." The Individual Defendants, because of
18 their positions with the Company, possessed the power and authority to control the
19 contents of Live Nation's reports to the SEC, press releases and presentations to
20 securities analysts, money and portfolio managers and institutional investors, *i.e.*,
21 the market. Each defendant was provided with copies of the Company's reports and
22 press releases alleged herein to be misleading prior to, or shortly after, their issuance
23 and had the ability and opportunity to prevent their issuance or cause them to be
24 corrected. Because of their positions and access to material non-public information
25 available to them, each of these defendants knew that the adverse facts specified
26 herein had not been disclosed to, and were being concealed from, the public, and
27 that the positive representations which were being made were then materially false
28 and/or misleading. The Individual Defendants are liable for the false statements

1 pleaded herein, as those statements were each “group-published” information, the
2 result of the collective actions of the Individual Defendants.

3 **SUBSTANTIVE ALLEGATIONS**

4 **Background**

5 18. Live Nation produces live concerts and sells tickets to those events over
6 the internet, owning and operating over 195 venues throughout the world.

7 **Materially False and Misleading** 8 **Statements Issued During the Class Period**

9 19. The Class Period begins on February 23, 2017, on that date the
10 Company filed its annual report on Form 10-K for the period ended December 31,
11 2016. Therein, the Company stated that, “we believe that we are materially in
12 compliance with [federal, state and local laws]...governing primary ticketing and
13 ticket resale services.”

14 20. On February 23, 2017, the Company also published a press that
15 provided in relevant part:

16 Live Nation delivered its sixth consecutive year of record results
17 across revenue, adjusted operating income, or AOI, and free cash
18 flow, and also delivered operating income growth in 2016. For the
19 year, revenue was up 15%, operating income was up 48%, and free
20 cash flow was up 5%, all as reported, and AOI was up 12% at
21 constant currency. Our core divisions - concerts, ticketing and
advertising - each delivered their strongest operating income and AOI
results in the history of the company.

22 We continue to see the tremendous power of live events, with strong
23 global consumer demand. Live is a truly unique entertainment form -
24 it cannot be duplicated. It is elevated, not threatened, by technology
25 and is borderless. Fans around the world can now discover, follow,
26 share and embrace artists, creating greater demand for live shows. We
27 believe the live business will continue to have strong growth for years
28 to come as fans globally drive demand, artists are motivated to tour,
and technology drives conversion.

1 21. On May 4, 2017, Live Nation filed a quarterly report on Form 10-Q for
2 the period ended March 31, 2017. And, on that same day the Company published a
3 press release announcing financial results for the first quarter 2017, stating in
4 relevant part:

5 **Highlights (year-over-year):**

6 • Revenue Up 17% for the Quarter to \$1.4 Billion

7
8 • Operating Income Improves 36% for the Quarter to \$(21) Million

9 • Adjusted Operating Income Up 25% for the Quarter to \$92 Million

10 • Concert Ticket Sales for 2017 Shows of 46 Million, Up 25%
11 through April

12 • Sponsorship & Advertising Contracted Net Revenue Up Double
13 Digits through April

14 • Ticketmaster Fee-Bearing GTV at Constant Currency Up 18%
15 through First Quarter

16 Live Nation has continued growing its business in 2017, with first
17 quarter revenue up 17%, operating income improvement of 36%, and
18 adjusted operating income, or AOI, up 25%, with strong operating
19 performance across all our concerts, advertising and ticketing
20 segments.

21 This year we have booked more shows, sold more tickets and have
22 more sponsorship commitments than ever before at this point of the
23 year. With the strength of these leading indicators, I am confident we
24 will once again deliver record topline, operating income and AOI
25 performance in each of our businesses in 2017.

26 The global concerts industry is structurally growing, with strong
27 tailwinds for both supply and demand. On the supply side, artists are
28 touring now more than ever. And on the demand side, between the
millennial shifting of spend to experiences and the globalization of
artists on social media, we see continued long-term growth as fans
attend more concerts.

1 22. On August 9, 2017, Live Nation filed a quarterly report on Form 10-Q
2 for the period ended June 30, 2017. And, on that same day the Company published a
3 press release announcing financial results for the second quarter 2017, stating in
4 relevant part:

5 **Highlights (year-over-year):**

6 ÿ Revenue Up 29% for the Quarter to \$2.8 Billion

7
8 ÿ Operating Income Up 53% for the Quarter to \$113 Million

9 ÿ Adjusted Operating Income Up 22% for the Quarter to \$221
10 Million

11 ÿ Net Cash Provided by Operating Activities Increased for the
12 Quarter to \$43 Million

13 ÿ Free Cash Flow — Adjusted Up 42% for the Quarter to \$154
14 Million

15 ÿ Event-Related Deferred Revenue Up 31% to \$1.5 Billion as of June
16 30

17 ÿ Concert Tickets Sold for 2017 Shows are Over 68 Million, Up 22%
18 through July

19 ÿ Sponsorship & Advertising Contracted Net Revenue Up Double
20 Digits through July

21 ÿ Ticketmaster Fee-Bearing GTV at Constant Currency Up 13%
22 through June

23 Live Nation continued growing its businesses in the second quarter,
24 with revenue up 29%, operating income up 53% and adjusted
25 operating income, or AOI, up 22%, while net cash provided by
26 operating activities increased to \$43 million, and free cash flow -
27 adjusted increased to \$154 million, up 42%. All three segments grew
28 as we continued demonstrating the strength of our business model. Our concerts business is our flywheel, selling over 68 million tickets to shows this year through July, 12 million more tickets than at this point last year.

1
2 This demonstrates that we have built the industry's most scalable and
3 unparalleled live platform, bringing over 550 million fans in 40
4 countries to live events each year. With key metrics in each of
5 concerts, sponsorship and ticketing pacing double digits ahead of last
6 year, we are confident that 2017 will be another record year of results
7 for Live Nation.

8
9 23. On November 2, 2017, Live Nation filed a quarterly report on Form 10-
10 Q for the period ended September 30, 2017. And, on that same day the Company
11 published a press release announcing financial results for the third quarter 2017,
12 stating in relevant part:

13
14 **Highlights (year-over-year):**

15
16 • Event-Related Deferred Revenue Up 86% to \$774 Million as of
17 September 30

18
19 • Concert Tickets Sold for 2017 Shows Over 80 Million, Up 20%
20 through October

21
22 • Sponsorship & Advertising Contracted Net Revenue Up 13%
23 through October

24
25 • Ticketmaster Fee-Bearing GTV Up 14% through September

26
27 • Revenue Up 12% for the Quarter to \$3.6 Billion

28
29 • Operating Income Up 5% for the Quarter to \$201 Million

30
31 • Adjusted Operating Income Up 10% for the Quarter to \$335
32 Million

33
34 Live Nation had its best third quarter ever and 2017 is on track to
35 deliver another year of record results across revenue, operating
36 income and adjusted operating income, or AOI. For the quarter,
37 revenue was up 12%, operating income was up 5% and AOI was up
38 10%. For the nine months, revenue was up 19%, operating income
39 was up 26% and AOI was up 16%. All our divisions — concerts,
40 advertising and ticketing — each delivered their strongest quarterly
41 AOI results ever.

1
2 Our concerts business is our flywheel, attracting almost 30 million
3 fans to shows globally in the quarter, which then drove record results
4 in our onsite, ticketing and advertising businesses. Through October,
5 we have sold over 80 million tickets for concerts in 2017, up 20%
6 year-on-year.

7 With our strength in concert attendance growth we are also seeing
8 similar success in our onsite, sponsorship and ticketing businesses,
9 giving us confidence that 2017 will be another year of record results
10 for Live Nation overall and for each of our divisions.

11 24. On February 27, 2018, Live Nation filed an annual report on Form 10-
12 K for the period ended December 31, 2017. Therein, the Company stated that, “we
13 believe that we are materially in compliance with [federal, state and local laws]...
14 governing primary ticketing and ticket resale services.”

15 25. On February 27, 2018 the Company published a press release
16 announcing financial results for 2017, stating in relevant part:

17 **Full Year 2017 - Another Record Year for Live Nation**

18 **• Revenue Up 24% to \$10.3 Billion**

19 **• Live Nation Concerts Attendance of 86 Million, Up 21%**

20 **• Ticketmaster Fee-Bearing GTV Up 15% and Secondary GTV
21 Up 16%**

22 **• Sponsorship & Advertising Revenue Up 18%**

23 **• Event-Related Deferred Revenue Up 13% to \$816 Million as of
24 December 31**

25 **2018 Indicators (as of Mid-February)**

26 **• Confirmed Concerts Show Count Up 7% Year-Over-Year**

27 **• On-Site Spending at Amphitheaters Expected to Grow
28 Additional \$2 Per Fan**

**• Sponsorship & Advertising Committed Net Revenue at 70% of
2018 Projections**

Live Nation delivered its seventh consecutive year of record results,
with revenue growth across all our divisions - concerts, sponsorship

1 and ticketing. We continue to see the tremendous power of live
2 events, with strong consumer demand and a robust supply of new and
3 established artists hitting the road from clubs to stadiums. Live is truly
4 a unique entertainment form; it cannot be duplicated and creates
5 lifetime memories that fans are craving more than ever in this
6 experience economy.

7 We believe the live business will continue to have strong growth for
8 years to come as fans globally drive demand, artists are touring more,
9 and sponsorship and ticketing benefit from the concerts flywheel.

10 26. The above statements identified in ¶¶19-25 were materially false and/or
11 misleading when made because Defendants failed to disclose: (1) that the Company
12 failed to abide by the terms of the Consent Decree; (2) that the Company lacked
13 adequate internal controls to prevent a violation of the Consent Decree; and (3) that,
14 as a result of the foregoing, the Company's financial statements and Defendants'
15 statements about Live Nation's business, operations, and prospects, were materially
16 false and misleading at all relevant times.

17 **Disclosures at the End of the Class Period**

18 27. On April 1, 2018, after the close of the market, The New York Times
19 published a story entitled, "Roster of Stars Lets Live Nation Flex Ticket Muscles,
20 Rivals Say." Therein, the article alleged that the Company failed to abide by the
21 terms of a consent decree aimed to prevent Live Nation and Ticketmaster from
22 monopolizing the market for live musical performances. The article stated in
23 relevant part:

24 In 2010, when the Justice Department allowed the two most dominant
25 companies in the live music business -- Live Nation and Ticketmaster
26 -- to merge, many greeted the news with dread.

27 Live Nation was already the world's biggest concert promoter.
28 Ticketmaster had for years been the leading ticket provider. Critics
warned that the merger would create an industry monolith, one
capable of crippling competitors in the ticketing business.

1 Federal officials tried to reassure the skeptics. They pointed to a
2 consent decree, or legal settlement, they had negotiated as part of the
3 merger approval. Its terms were strict, they said: It would boost
4 competition and block monopolistic behavior by the new, larger Live
5 Nation.

6 ***

7 Ticket prices are at record highs. Service fees are far from reduced.
8 And Ticketmaster, part of the Live Nation empire, still tickets 80 of
9 the top 100 arenas in the country. No other company has more than a
10 handful. No competitor has risen to challenge its pre-eminence.

11 Now Department of Justice officials are looking into serious
12 accusations about Live Nation's behavior in the marketplace.

13 They have been reviewing complaints that Live Nation, which
14 manages 500 artists, including U2 and Miley Cyrus, has used its
15 control over concert tours to pressure venues into contracting with its
16 subsidiary, Ticketmaster. The company's chief competitor, AEG, has
17 told the officials that venues it manages that serve Atlanta; Las Vegas;
18 Minneapolis; Salt Lake City; Louisville, Ky.; and Oakland, Calif.,
19 were told they would lose valuable shows if Ticketmaster was not
20 used as a vendor, a possible violation of antitrust law.

21 28. On this news, Live Nation's stock price fell \$3.97 per share, or almost
22 10%, to close at \$38.17 per share on April 2, 2018, on unusually heavy volume.
23 The following trading session, Live Nation stock continued its decline, dropping
24 \$1.56 per share, or over 4%, to close on April 3, 2018 at \$36.61 per share.

25 **CLASS ACTION ALLEGATIONS**

26 29. Plaintiff brings this action as a class action pursuant to Federal Rule of
27 Civil Procedure 23(a) and (b)(3) on behalf of a class, consisting of all persons and
28 entities that purchased or otherwise acquired Live Nation securities between
February 23, 2017 and March 30, 2018, inclusive, seeking to pursue remedies under
the Exchange Act; and who were damaged thereby (collectively, the "Class").
Excluded from the Class are Defendants, the officers and directors of the Company,

1 at all relevant times, members of their immediate families and their legal
2 representatives, heirs, successors or assigns and any entity in which Defendants
3 have or had a controlling interest.

4 30. The members of the Class are so numerous that joinder of all members
5 is impracticable. Throughout the Class Period, Live Nation's securities were
6 actively traded on the NYSE. While the exact number of Class members is
7 unknown to Plaintiff at this time and can only be ascertained through appropriate
8 discovery, Plaintiff believes that there are hundreds or thousands of members in the
9 proposed Class. Millions of Live Nation shares were traded publicly during the
10 Class Period on the NYSE. As of February 20, 2018, there were 208,168,826 shares
11 of the Company's common stock outstanding. Record owners and other members
12 of the Class may be identified from records maintained by Live Nation or its transfer
13 agent and may be notified of the pendency of this action by mail, using the form of
14 notice similar to that customarily used in securities class actions.

15 31. Plaintiff's claims are typical of the claims of the members of the Class
16 as all members of the Class are similarly affected by Defendants' wrongful conduct
17 in violation of federal law that is complained of herein.

18 32. Plaintiff will fairly and adequately protect the interests of the members
19 of the Class and has retained counsel competent and experienced in class and
20 securities litigation.

21 33. Common questions of law and fact exist as to all members of the Class
22 and predominate over any questions solely affecting individual members of the
23 Class. Among the questions of law and fact common to the Class are:

24 (a) whether the federal securities laws were violated by Defendants'
25 acts as alleged herein;

26 (b) whether statements made by Defendants to the investing public
27 during the Class Period omitted and/or misrepresented material facts about the
28 business, operations, and prospects of Live Nation ; and

1 (c) whether the members of the Class have sustained damages and,
2 if so, what is the proper measure of damages.

3 34. A class action is superior to all other available methods for the fair and
4 efficient adjudication of this controversy since joinder of all members is
5 impracticable. Furthermore, as the damages suffered by individual Class members
6 may be relatively small, the expense and burden of individual litigation makes it
7 impossible for members of the Class to individually redress the wrongs done to
8 them. There will be no difficulty in the management of this action as a class action.

9 **UNDISCLOSED ADVERSE FACTS**

10 35. The market for Live Nation's securities was open, well-developed and
11 efficient at all relevant times. As a result of these materially false and/or misleading
12 statements, and/or failures to disclose, Live Nation's securities traded at artificially
13 inflated prices during the Class Period. Plaintiff and other members of the Class
14 purchased or otherwise acquired Live Nation's securities relying upon the integrity
15 of the market price of the Company's securities and market information relating to
16 Live Nation, and have been damaged thereby.

17 36. During the Class Period, Defendants materially misled the investing
18 public, thereby inflating the price of Live Nation's securities, by publicly issuing
19 false and/or misleading statements and/or omitting to disclose material facts
20 necessary to make Defendants' statements, as set forth herein, not false and/or
21 misleading. Said statements and omissions were materially false and/or misleading
22 in that they failed to disclose material adverse information and/or misrepresented the
23 truth about Live Nation's business, operations, and prospects as alleged herein.

24 37. At all relevant times, the material misrepresentations and omissions
25 particularized in this Complaint directly or proximately caused or were a substantial
26 contributing cause of the damages sustained by Plaintiff and other members of the
27 Class. As described herein, during the Class Period, Defendants made or caused to
28 be made a series of materially false and/or misleading statements about Live

1 Nation's financial well-being and prospects. These material misstatements and/or
2 omissions had the cause and effect of creating in the market an unrealistically
3 positive assessment of the Company and its financial well-being and prospects, thus
4 causing the Company's securities to be overvalued and artificially inflated at all
5 relevant times. Defendants' materially false and/or misleading statements during
6 the Class Period resulted in Plaintiff and other members of the Class purchasing the
7 Company's securities at artificially inflated prices, thus causing the damages
8 complained of herein.

9 **LOSS CAUSATION**

10 38. Defendants' wrongful conduct, as alleged herein, directly and
11 proximately caused the economic loss suffered by Plaintiff and the Class.

12 39. During the Class Period, Plaintiff and the Class purchased Live
13 Nation's securities at artificially inflated prices and were damaged thereby. The
14 price of the Company's securities significantly declined when the
15 misrepresentations made to the market, and/or the information alleged herein to
16 have been concealed from the market, and/or the effects thereof, were revealed,
17 causing investors' losses.

18 **SCIENTER ALLEGATIONS**

19 40. As alleged herein, Defendants acted with scienter in that Defendants
20 knew that the public documents and statements issued or disseminated in the name
21 of the Company were materially false and/or misleading; knew that such statements
22 or documents would be issued or disseminated to the investing public; and
23 knowingly and substantially participated or acquiesced in the issuance or
24 dissemination of such statements or documents as primary violations of the federal
25 securities laws. As set forth elsewhere herein in detail, Defendants, by virtue of
26 their receipt of information reflecting the true facts regarding Live Nation, his/her
27 control over, and/or receipt and/or modification of Live Nation's allegedly
28 materially misleading misstatements and/or their associations with the Company

1 which made them privy to confidential proprietary information concerning Live
2 Nation, participated in the fraudulent scheme alleged herein.

3 **APPLICABILITY OF PRESUMPTION OF RELIANCE**
4 **(FRAUD-ON-THE-MARKET DOCTRINE)**

5 41. The market for Live Nation’s securities was open, well-developed and
6 efficient at all relevant times. As a result of the materially false and/or misleading
7 statements and/or failures to disclose, Live Nation’s securities traded at artificially
8 inflated prices during the Class Period. On February 26, 2018, the Company’s stock
9 closed at a Class Period high of \$48.59 per share. Plaintiff and other members of
10 the Class purchased or otherwise acquired the Company’s securities relying upon
11 the integrity of the market price of Live Nation’s securities and market information
12 relating to Live Nation, and have been damaged thereby.

13 42. During the Class Period, the artificial inflation of Live Nation’s stock
14 was caused by the material misrepresentations and/or omissions particularized in
15 this Complaint causing the damages sustained by Plaintiff and other members of the
16 Class. As described herein, during the Class Period, Defendants made or caused to
17 be made a series of materially false and/or misleading statements about Live
18 Nation’s business, prospects, and operations. These material misstatements and/or
19 omissions created an unrealistically positive assessment of Live Nation and its
20 business, operations, and prospects, thus causing the price of the Company’s
21 securities to be artificially inflated at all relevant times, and when disclosed,
22 negatively affected the value of the Company stock. Defendants’ materially false
23 and/or misleading statements during the Class Period resulted in Plaintiff and other
24 members of the Class purchasing the Company’s securities at such artificially
25 inflated prices, and each of them has been damaged as a result.

26 43. At all relevant times, the market for Live Nation’s securities was an
27 efficient market for the following reasons, among others:

1 (a) Live Nation stock met the requirements for listing, and was listed
2 and actively traded on the NYSE, a highly efficient and automated market;

3 (b) As a regulated issuer, Live Nation filed periodic public reports
4 with the SEC and/or the NYSE;

5 (c) Live Nation regularly communicated with public investors *via*
6 established market communication mechanisms, including through regular
7 dissemination of press releases on the national circuits of major newswire services
8 and through other wide-ranging public disclosures, such as communications with the
9 financial press and other similar reporting services; and/or

10 (d) Live Nation was followed by securities analysts employed by
11 brokerage firms who wrote reports about the Company, and these reports were
12 distributed to the sales force and certain customers of their respective brokerage
13 firms. Each of these reports was publicly available and entered the public
14 marketplace.

15 44. As a result of the foregoing, the market for Live Nation's securities
16 promptly digested current information regarding Live Nation from all publicly
17 available sources and reflected such information in Live Nation's stock price. Under
18 these circumstances, all purchasers of Live Nation's securities during the Class
19 Period suffered similar injury through their purchase of Live Nation's securities at
20 artificially inflated prices and a presumption of reliance applies.

21 45. A Class-wide presumption of reliance is also appropriate in this action
22 under the Supreme Court's holding in *Affiliated Ute Citizens of Utah v. United*
23 *States*, 406 U.S. 128 (1972), because the Class's claims are, in large part, grounded
24 on Defendants' material misstatements and/or omissions. Because this action
25 involves Defendants' failure to disclose material adverse information regarding the
26 Company's business operations and financial prospects—information that
27 Defendants were obligated to disclose—positive proof of reliance is not a
28 prerequisite to recovery. All that is necessary is that the facts withheld be material

1 in the sense that a reasonable investor might have considered them important in
2 making investment decisions. Given the importance of the Class Period material
3 misstatements and omissions set forth above, that requirement is satisfied here.

4 **NO SAFE HARBOR**

5 46. The statutory safe harbor provided for forward-looking statements
6 under certain circumstances does not apply to any of the allegedly false statements
7 pleaded in this Complaint. The statements alleged to be false and misleading herein
8 all relate to then-existing facts and conditions. In addition, to the extent certain of
9 the statements alleged to be false may be characterized as forward looking, they
10 were not identified as “forward-looking statements” when made and there were no
11 meaningful cautionary statements identifying important factors that could cause
12 actual results to differ materially from those in the purportedly forward-looking
13 statements. In the alternative, to the extent that the statutory safe harbor is
14 determined to apply to any forward-looking statements pleaded herein, Defendants
15 are liable for those false forward-looking statements because at the time each of
16 those forward-looking statements was made, the speaker had actual knowledge that
17 the forward-looking statement was materially false or misleading, and/or the
18 forward-looking statement was authorized or approved by an executive officer of
19 Live Nation who knew that the statement was false when made.

20 **FIRST CLAIM**

21 **Violation of Section 10(b) of The Exchange Act**
22 **and Rule 10b-5 Promulgated Thereunder**
23 **(Against the Company and the Individual Defendants)**

24 47. Plaintiff repeats and re-alleges each and every allegation contained
25 above as if fully set forth herein.

26 48. During the Class Period, the Company and the Individual Defendants
27 carried out a plan, scheme and course of conduct which was intended to and,
28 throughout the Class Period, did: (i) deceive the investing public, including Plaintiff
and other Class members, as alleged herein; and (ii) cause Plaintiff and other

1 members of the Class to purchase Live Nation’s securities at artificially inflated
2 prices. In furtherance of this unlawful scheme, plan and course of conduct, the
3 Company and the Individual Defendants, and each of them, took the actions set
4 forth herein.

5 49. the Company and the Individual Defendants (i) employed devices,
6 schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or
7 omitted to state material facts necessary to make the statements not misleading; and
8 (iii) engaged in acts, practices, and a course of business which operated as a fraud
9 and deceit upon the purchasers of the Company’s securities in an effort to maintain
10 artificially high market prices for Live Nation’s securities in violation of Section
11 10(b) of the Exchange Act and Rule 10b-5. The Company and the Individual
12 Defendants are sued either as primary participants in the wrongful and illegal
13 conduct charged herein or as controlling persons as alleged below.

14 50. The Company and the Individual Defendants, individually and in
15 concert, directly and indirectly, by the use, means or instrumentalities of interstate
16 commerce and/or of the mails, engaged and participated in a continuous course of
17 conduct to conceal adverse material information about Live Nation’s financial well-
18 being and prospects, as specified herein.

19 51. These defendants employed devices, schemes and artifices to defraud,
20 while in possession of material adverse non-public information and engaged in acts,
21 practices, and a course of conduct as alleged herein in an effort to assure investors of
22 Live Nation’s value and performance and continued substantial growth, which
23 included the making of, or the participation in the making of, untrue statements of
24 material facts and/or omitting to state material facts necessary in order to make the
25 statements made about Live Nation and its business operations and future prospects
26 in light of the circumstances under which they were made, not misleading, as set
27 forth more particularly herein, and engaged in transactions, practices and a course of
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1 business which operated as a fraud and deceit upon the purchasers of the Company's
2 securities during the Class Period.

3 52. Each of the Individual Defendants' primary liability, and controlling
4 person liability, arises from the following facts: (i) the Individual Defendants were
5 high-level executives and/or directors at the Company during the Class Period and
6 members of the Company's management team or had control thereof; (ii) each of
7 these defendants, by virtue of their responsibilities and activities as a senior officer
8 and/or director of the Company, was privy to and participated in the creation,
9 development and reporting of the Company's internal budgets, plans, projections
10 and/or reports; (iii) each of these defendants enjoyed significant personal contact
11 and familiarity with the other defendants and was advised of, and had access to,
12 other members of the Company's management team, internal reports and other data
13 and information about the Company's finances, operations, and sales at all relevant
14 times; and (iv) each of these defendants was aware of the Company's dissemination
15 of information to the investing public which they knew and/or recklessly
16 disregarded was materially false and misleading.

17 53. The Company and the Individual Defendants had actual knowledge of
18 the misrepresentations and/or omissions of material facts set forth herein, or acted
19 with reckless disregard for the truth in that they failed to ascertain and to disclose
20 such facts, even though such facts were available to them. Such defendants' material
21 misrepresentations and/or omissions were done knowingly or recklessly and for the
22 purpose and effect of concealing Live Nation's financial well-being and prospects
23 from the investing public and supporting the artificially inflated price of its
24 securities. As demonstrated by the Company and the Individual Defendants'
25 overstatements and/or misstatements of the Company's business, operations,
26 financial well-being, and prospects throughout the Class Period, these defendants, if
27 they did not have actual knowledge of the misrepresentations and/or omissions
28 alleged, were reckless in failing to obtain such knowledge by deliberately refraining

1 from taking those steps necessary to discover whether those statements were false or
2 misleading.

3 54. As a result of the dissemination of the materially false and/or
4 misleading information and/or failure to disclose material facts, as set forth above,
5 the market price of Live Nation’s securities was artificially inflated during the Class
6 Period. In ignorance of the fact that market prices of the Company’s securities were
7 artificially inflated, and relying directly or indirectly on the false and misleading
8 statements made by the Company and the Individual Defendants, or upon the
9 integrity of the market in which the securities trades, and/or in the absence of
10 material adverse information that was known to or recklessly disregarded by the
11 Company and the Individual Defendants, but not disclosed in public statements by
12 these defendants during the Class Period, Plaintiff and the other members of the
13 Class acquired Live Nation’s securities during the Class Period at artificially high
14 prices and were damaged thereby.

15 55. At the time of said misrepresentations and/or omissions, Plaintiff and
16 other members of the Class were ignorant of their falsity, and believed them to be
17 true. Had Plaintiff and the other members of the Class and the marketplace known
18 the truth regarding the problems that Live Nation was experiencing, which were not
19 disclosed by the Company and the Individual Defendants, Plaintiff and other
20 members of the Class would not have purchased or otherwise acquired their Live
21 Nation securities, or, if they had acquired such securities during the Class Period,
22 they would not have done so at the artificially inflated prices which they paid.

23 56. By virtue of the foregoing, the Company and the Individual Defendants
24 have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated
25 thereunder.

26 57. As a direct and proximate result of Defendants’ wrongful conduct,
27 Plaintiff and the other members of the Class suffered damages in connection with
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1 their respective purchases and sales of the Company's securities during the Class
2 Period.

3 **SECOND CLAIM**
4 **Violation of Section 20(a) of the Exchange Act**
5 **(Against the Individual Defendants)**

6 58. Plaintiff repeats and re-alleges each and every allegation contained
7 above as if fully set forth herein.

8 59. The Individual Defendants acted as controlling persons of Live Nation
9 within the meaning of Section 20(a) of the Exchange Act as alleged herein. By
10 virtue of their high-level positions, and their ownership and contractual rights,
11 participation in and/or awareness of the Company's operations and/or intimate
12 knowledge of the false financial statements filed by the Company with the SEC and
13 disseminated to the investing public, the Individual Defendants had the power to
14 influence and control and did influence and control, directly or indirectly, the
15 decision-making of the Company, including the content and dissemination of the
16 various statements which Plaintiff contends are false and misleading. The
17 Individual Defendants were provided with or had unlimited access to copies of the
18 Company's reports, press releases, public filings and other statements alleged by
19 Plaintiff to be misleading prior to and/or shortly after these statements were issued
20 and had the ability to prevent the issuance of the statements or cause the statements
21 to be corrected.

22 60. In particular, each of these Defendants had direct and supervisory
23 involvement in the day-to-day operations of the Company and, therefore, is
24 presumed to have had the power to control or influence the particular transactions
25 giving rise to the securities violations as alleged herein, and exercised the same.

26 61. As set forth above, Live Nation and the Individual Defendants each
27 violated Section 10(b) and Rule 10b-5 by their acts and/or omissions as alleged in
28 this Complaint. By virtue of their positions as controlling persons, the Individual

1 Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct
2 and proximate result of Defendants' wrongful conduct, Plaintiff and other members
3 of the Class suffered damages in connection with their purchases of the Company's
4 securities during the Class Period.

5 **PRAYER FOR RELIEF**

6 WHEREFORE, Plaintiff prays for relief and judgment, as follows:

7 (a) Determining that this action is a proper class action under Federal
8 Rules of Civil Procedure 23;

9 (b) Awarding compensatory damages in favor of Plaintiff and the other
10 Class members against all defendants, jointly and severally, for all damages
11 sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial,
12 including interest thereon;

13 (c) Awarding Plaintiff and the Class their reasonable costs and expenses
14 incurred in this action, including counsel fees and expert fees; and

15 (d) Such other and further relief as the Court may deem just and proper.

16 **JURY TRIAL DEMANDED**

17 Plaintiff hereby demands a trial by jury.

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