

**Legal**

## **Viagogo compensates 800 aggrieved Internet users and has to provide better information**

After more than six years of legal proceedings, the Fédération romande des consommateurs (FRC) has reached an agreement with the dominant player of the events grey market. They come to a consensus at a time when consumer complaints are declining. They have been made aware of the pitfalls of this secondary market by the Ticket Check campaign, initiated by the FRC and its partners (organisers of concerts and sporting events, official ticket offices). The agreement involves bringing the necessary changes to the Viagogo website to ensure that its activity as an intermediary is identified and doesn't mislead consumers. The agreement also includes a compensation package of 100,000 Swiss Francs. This is intended for the 807 people who gave evidence to our association. The FRC remains vigilant and is continuing its action against unofficial resellers in a problematic market that neither the courts nor Google are prohibiting.

Geneva-based Viagogo is a major player in the events grey market in Switzerland and internationally, thanks to its exploitation of the advertising algorithm of the leading internet search engine, which is problematic in this market especially. In September 2017, the FRC filed a lawsuit against Viagogo with the Geneva Public Prosecutor's Office for violating the Unfair Competition Act (Federal UCA).

The FRC is committed to strengthen the consumers rights to information. What is at issue is a case that the court hasn't sentenced in six years time, and the Swiss law that is far too weak without offering a class action possibility. What is also at issue is Google's refusal to permanently block paid advertising by unofficial ticket offices. After tough negotiations, our association succeeded in getting Viagogo to bring changes to its Swiss website (viagogo.ch, in three national languages plus English). In this redesigned version, Internet users have access to information that enables them to make more informed decisions: transparency about Viagogo's status as an intermediary, complete and continuous price display, more precise information about the placement of tickets, fewer pop-up windows and less pressure on the buyer during the order process, display and identification of professional resellers (or traders).

### **Successful awareness campaign**

These improvements come at a time when a clear reduction in 2022 and 2023 complaints are being recorded compared with the years before Covid. The Ticket Check campaign launched by the FRC and the events industry to combat the pitfalls of the grey market has borne fruit. It was supported internationally by the European Consumer Organisation and broadcast in France, Belgium, Spain, Poland and elsewhere.

The agreement also contains a compensation component of 100,000 Swiss Francs. The fund is intended exclusively for the 807 aggrieved consumers who reported their complaints to the FRC and made the procedure possible. Those concerned will receive a lump-sum compensation payment via the FRC by 30 June, 2024. The precise amount allocated to each person will depend on the number of people who complete and confirm their contact details.

### **Vigilance required**

In return for the improvements achieved and the reimbursement of the FRC's attorney's fees, our association has withdrawn its suit against Viagogo. «We are continuing our fight against the grey market. In this business, Google must assume its responsibilities by intervening so that the grey market players can no longer use paid ads to get the top of search results.

The FRC is counting on those in the events industry who are prepared to join them in this endeavour», emphasises Sophie Michaud Gigon, Secretary-general of the FRC. The agreement reached doesn't prevent the FRC from retaining the necessary latitude to take action if Viagogo were to renege on its commitments.

### **Class action more necessary than ever**

This case illustrates once again the need to introduce the class action into the Swiss legislation in order to obtain compensation for mass tort on behalf of consumers and SMEs committed to undistorted competition. The FRC will be closely monitoring Parliament's decision on this bill at the beginning of the year.

File timeline, details and FAQ: [frc.ch/viagogo](https://frc.ch/viagogo)

For further information, please contact:

Sophie Michaud Gigon, General Secretary, Tel. 021 331 00 90  
Jean Tschopp, Head of Legal Affa, Tel. 021 331 00 90