

Ticketfly Raises \$22M to Help Venues Master Ticket Sales Post-Facebook

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According to data from Pollstar's Boxoffice Department, the top 100 music tours in North America alone grossed \$1.13 billion in the first half of 2012. Move beyond mainstream acts like Bruce Springsteen, Cirque Du Soleil and Drake, and the event ticket sales market looks even more robust, an estimated \$10 billion worldwide, according to Gannon Hall, senior vice president of marketing with San Francisco's social ticketing start-up, [TicketFly Inc.](#)

Competing with [Ticketmaster](#), part of [Live Nation Entertainment Inc.](#), and a slew of start-ups for the lion's share of this market, the company raised \$22 million in a Series C investment. [SAP Ventures](#) led the round joined by Northgate Capital, Cross Creek Capital and TicketFly's Series B lead lead Mohr Davidow Ventures.

A managing director with [SAP Ventures](#), David Hartwig, said he expects TicketFly to ramp up sales and marketing efforts this year, and to explore new event offerings such as selling tickets for sports venues. He believes the company is on a path to a successful initial public offering.

The chief executive and co-founder of TicketFly, Andrew Dreskin, previously founded the pioneering online ticket sales business [TicketWeb Inc.](#), later acquired by [Ticketmaster](#). He is also a promoter for the Virgin Mobile FreeFest, a music festival that raises funds for various charitable causes.

Besides revenue growth, Mr. Dreskin's domain expertise was one major reason [SAP Ventures](#) backed TicketFly. "It's rare and appealing for entrepreneurs to come at the problems facing their industry with customer insight at this level," Mr. Hartwig said.

TicketFly is now evaluating businesses for acquisition, Mr. Dreskin said. In 2010, TicketFly purchased Gigbot, a music event promotion and listings site. In 2011 it evaluated 28 deals, but acquired none.

Competitors like [StubHub Inc.](#), part of [eBay Inc.](#), an "online scalper," the sports-focused [Tickets.com](#), part of MLB Advanced Media L.P., or the well-financed [Eventbrite Inc.](#), which focuses on professional events, are well known by consumers, and in Silicon Valley. But TicketFly is quickly gaining brand recognition with a business-to-business approach.

For one, TicketFly offers automated marketing tools to help venues and promoters, and to a lesser extent individual artists, use social media to sell more tickets without spending more money.

Founded in 2008, TicketFly got a boost in 2011 when [Facebook](#) selected it as "Open Graph partner." Music fans on Facebook can share their plans, RSVP for concerts, see what their friends are going to, and most importantly buy tickets all from within Facebook--never leaving the page.

TicketFly posts appear in users' timelines, encouraging "social discovery" of events among friends. The company focuses on music, but also sells tickets for clients that run fan gatherings like renaissance fairs, food and wine festivals or air shows.

Venues and event promoters use TicketFly software to automate Twitter and [Facebook](#) campaigns. TicketFly also provides them with real-time analytics about how successful their social media campaigns are, Dreskin said. Facebook remains a major driver of ticket sales for his company. [Google](#) search results, not surprisingly, are the biggest driver.

TicketFly customers include venues that are sacred to music fans, such as the Brooklyn Bowl and The Blue Note in New York, Washington's 9:30 Club and nearby Merriweather Post Pavilion in Columbia, Md.

According to a press statement, TicketFly customers experienced "year-over-year sales growth that was five times the industry average, and double-digit growth rates [in ticket revenue]."

While TicketFly previously only sold tickets to general-admissions events, last week it launched new features that allow venues to sell reserve seats. The company doesn't offer subscription or season-pass ticketing yet, though product updates are in the works.

Today, TicketFly employs 100 full-time. It has raised a total of \$37 million in venture capital.

<http://ticketfly.com>

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