

Chair, Economic Development, Culture Sport and Tourism Committee London Assembly

3 December 2010







Thank you for your invitation for the London 2012 Organising Committee (LOCOG) to appear in front of your scrutiny committee next Thursday and the questions you have posed in advance.

Our ticket sales need to deliver in three areas: raise revenues to contribute to the funding of the Games; they need be affordable and accessible; and they need to deliver full venues.

LOCOG is a private company that is almost entirely privately-financed. Unlike organisations that are funded by the taxpayer, LOCOG needs to raise its budget from the private sector before we can spend it. LOCOG must raise the revenues needed for its £2bn budget, to avoid recourse to the public purse.

LOCOG has made great progress securing its income from the IOC, domestic sponsorship, media rights and merchandise. Nearly a quarter of our budget comes from ticketing for the Games. Tickets will go on sale in March 2011.

Taking each of your questions in turn:

1. How many tickets at each price point and for each session will be made available either free of charge, or for sale to the Government, Mayor and GLA group, International Olympic Committee (IOC), the British Olympic Association and others, and how will these be distributed among the events?

There are no free tickets. We treat Government and Mayor as equivalent to a Tier 1 sponsor, with access to buy a small number of tickets, across a range of events. We will take bids from these groups shortly, and will formalise these by March 2011.

2. How many seats for each session and at each venue will be made available for people with accreditation who do not need to buy tickets?

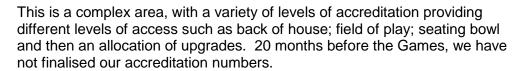
At each venue there will be an IOC Family lounge with view of the Field of Play. 200,000 people will be accredited for the Games workforce, but only a



small percentage will have seating privileges for any venues. Some will also upgrade their accreditation for specific sessions. However, the majority will require a ticket to access seating.

Some space will be allocated for accredited press and broadcast working at the event, which removes some seats.

3. Can you provide a schedule listing the different levels of accreditation, the number of people within each category and whether or not this will entitle them to seats at any of the events?



4. How many tickets at each price point and for each session will be allocated to official sponsors of the Games? How will these be distributed among the events and what factors were taken into account when making this decision?

There are no free tickets. LOCOG has signed up 34 commercial partners, and together with the global sponsors and rights holders they contribute £1.4bn to LOCOG's £2bn budget to stage the Games. Sponsors therefore have the right to purchase tickets at set levels. We estimate that tickets for sponsors will amount to less than 10% of all tickets, spread across all sessions. Each sponsor is working on their requirement, within that allocation, now. We will put limits on key sessions. Sponsors often use these for public or staff competitions, and as you know 75% of our tickets will be on sale to the public.

5. How many tickets at each price point and for each session will be allocated to corporate hospitality companies? How will these be distributed among the events and what factors were taken into account when making this decision?

Around 1% of tickets have been bought from us for prestige ticketing packages and hospitality, across a wide range of events. This high-end hospitality, as well as the top-priced tickets, help us to effectively keep down the price of tickets of the other seats. Through our TicketShare scheme, a levy on prestige ticketing packages is raising enough funds to purchase 100,000 tickets. 50,000 of these will be distributed to school children via Get Set Schools in London, and 50,000 to Get Set Schools outside of London.

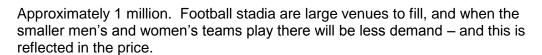




6. Using your Olympic Games ticket pricing schedule, can you set out the number of tickets available at each price point for all sessions, including the opening and closing ceremonies?

We are still working on this. As a guide, the number of tickets per price point is roughly equal. So in most four price sessions, there will be around a quarter of tickets at each price. Ceremonies are different to the Sport, and arrangements are still being worked through. But there will be as many bottom price tickets on sale at £20.12 as top price tickets at £2,012.

7. Can you confirm how many of the 2.5 million tickets priced at £20 or less will be allocated to football matches?



8. Can you outline how the 2012 Ticketshare programme, which will provide 100,000 free tickets to schools across the UK will work in practice?

We have announced our TicketShare scheme, where a levy on prestige ticketing packages will pay for 50,000 tickets to be distributed to Get Set schools in London. A further 50,000 tickets will be distributed to Get Set schools outside of London. We are working through how this will work in practice, and plan to announce this in 2011. We will also work with the Mayor of London on his intention to add 75,000 tickets to London's allocation.

9. Can you confirm whether the Pay Your Age and 2012 Ticketshare schemes are included in your estimates of 2.5million tickets at £20 or less?

All Pay Your Age tickets are included. Around 50% of TicketShare tickets are also included.

10. Will the previously proposed stand-by scheme for local children or the Wimbledon style ticket recycling scheme go ahead? If so, how will it work in practice?

We have adapted the competition schedule to make sessions shorter. This increases the number of tickets available and reduces the likelihood of empty seats – at some previous Games, people have left longer sessions early.

We will have a ticket re-use scheme at certain venues for public to access an event once the ticket purchaser has left. We will need to work up how the ticket re-use scheme will operate in the coming months.





11. Will there be a charge to enter the Olympic Park to watch events live on big screens?

We intend to have a ticket that people can purchase to enter the Park, which will be affordable. We will announce this next year, after we have worked out areas such as crowd control management, and the number of these tickets that we will be able to create.

Yours sincerely



Paul Williamson Director of Ticketing Craig Beaumont Government Relations Manager

SENT BY EMAIL