

The Legal Fallout of Cancelling Ticketed Events: Contractual and Consumer Protection Perspectives

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INTRODUCTION

For many event organisers, record labels, artists and creatives, selling out an event represents the culmination of months of planning, investment, promotion and the ultimate validation of public trust and commercial success. However, when the same event is cancelled, the narrative shifts instantly from success to scrutiny; what appears at first glance to be a logistical setback quickly evolves into a web of legal obligations and potential liability. While many assume that issuing refunds resolves the issue, the reality is far more complex. From breach of contract claims to regulatory intervention, cancelling an event can trigger consequences that extend well beyond reimbursing ticket holders.

This article explores the broader legal fallout that follows such cancellations, examining the contractual duties owed to the purchaser of the ticket attendee, the potential for claims arising from additional losses, and the limits of protective mechanisms such as force majeure clauses. It also considers the risk of misrepresentation in event promotion and the ripple effects on third-party contractual relationships.

BREACH OF CONTRACT: THE STARTING POINT OF LIABILITY

At the core of every ticketed event lies a simple but legally binding arrangement. The purchase of a ticket creates a contract between the event organisers and the purchaser of the ticket. Under this contract, the organiser undertakes to deliver the event as advertised on the stated date, at the stated venue and under the promised conditions, while the attendee provides consideration in the form of payment. Once tickets are sold, this obligation extends to a defined and identifiable group of consumers whose rights are legally protected.

When an event is cancelled, the first and most immediate legal issue that arises is breach of contract. Unless the cancellation falls within an agreed exception such as a valid force majeure clause or a clearly drafted contractual right to cancel, the organiser is generally deemed to have failed to perform its contractual obligations. The non-performance triggers liability, regardless of intent or operational challenges.

The primary remedy in most cases is refund of the ticket price, which represents restitution of the consideration paid by ticket holders. However, modern contract principles recognises that liability may extend beyond mere refunds, where it is reasonably foreseeable that ticket holders would incur additional expenses in reliance on the event, such as transportation, accommodation, or related arrangements.

Consumer Protection and Regulatory Oversight: The Federal Competition and Consumer Protection Act

The rise of concerts and large-scale entertainment events in Nigeria has placed increasing emphasis on consumer protection, particularly in situations involving cancellations, postponements, or material changes to advertised shows. The Federal Competition and Consumer Protection Commission (FCCPC)¹ established under the Federal Competition and Consumer Protection Act 2018 (FCCPA)², plays a central role in safeguarding the rights of consumers within the entertainment industry.

The FCCPC is mandated to promote fair business practices and protect consumers from unfair, deceptive and exploitative conduct. The FCCPA sets out its overarching consumer protection mandates³ and empowers the FCCPC to eliminate hazardous, unfair, and restrictive business practices⁴. These provisions extend to concert promoters, ticketing platforms, and event organisers, all of whom are required to operate within a framework of fairness and transparency.

From a consumer rights perspective, ticket holders are recognised as consumers entitled to protection where services are not delivered as promised. The consumer is entitled to the right to timely performance of services⁵, the right to be informed of delays or cancellations and the right to a refund where services are not rendered as agreed⁶. Accordingly, where a concert is cancelled or significantly altered, affected ticket holders are generally entitled to either a refund or a fair alternative such as a rescheduled event.

The FCCPA prohibits unfair, unreasonable or unjust contract terms⁷ and misleading as well as unconscionable representation⁸. As a result of this, clauses that seek to exclude liability entirely or deny refunds in all circumstances may be unenforceable where they conflict with statutory consumer rights or are deemed unfair in the circumstances.

The doctrine of Force Majeure and the Limits of Non-Performance

The most frequently invoked defences by event organisers following the cancellation of a ticketed event is the doctrine of force majeure. A force majeure clause is a contractual provision that relieves a party from liability where performance becomes impracticable due to unforeseen events beyond its control, such as natural disaster, pandemics, government restrictions, civil unrest or other occurrences. The mere existence of unforeseen circumstances does not automatically excuse liability.

Force majeure is primarily a clause in the contract and will only apply where it is expressly incorporated between parties. Where the force majeure clause was not anticipated during bookings or contained in the contract, it cannot be relied upon. However, the doctrine of frustration of contract can be relied

¹ Section 3 (1) FCCPA 2018

² FCCPA 2018, Act No. 1

³ Section 17 FCCPA 2018

⁴ Section 18 FCCPA 2018

⁵ Section 130 (1) FCCPA 2018

⁶ Section 130 (2) FCCPA 2018

⁷ Section 127 FCCPA 2018

⁸ Section 128 FCCPA 2018

on. The force majeure event relied upon must fall squarely within the scope of the clause and must have genuinely prevented performance rather than merely making it more inconvenient or financially burdensome. Consequently, where an organiser cancels a ticketed event due to poor ticket sales projections, financial difficulties, logistical shortcomings or internal management failures, reliance on a force majeure clause or the doctrine of frustration is unlikely to succeed unless those circumstances are specifically contemplated by the contract.

Furthermore, where any event other than a force majeure event occurs, which threatens the execution of the planned event, organisers are often expected to take reasonable steps to mitigate its effects, including exploring alternative venues, rescheduling options or other practical solutions before resorting to cancellation. Failure to demonstrate such efforts may expose the organiser to continued contractual liability.

MISREPRESENTATION AND FALSE ADVERTISING

Another significant source of potential liability arises where concert goers purchase tickets based on representations that later prove to be false or misleading. Event promotions often advertise headline performers, exclusive appearances, premium experiences or particular facilities that materially influence purchasing decisions. Where an organiser knowingly or negligently makes representations that are inaccurate or impossible to fulfil, affected ticket holders may contend that they were induced into the contract through misrepresentation. Such claims may exist independently of any claim for breach of contract and could expose organisers to damages beyond simple reimbursement of ticket costs.

The FCCPA also prohibits misleading marketing practices and deceptive representations made to consumers⁹. Accordingly, promoters must ensure that advertisements, promotional materials and public statements accurately reflect the event that will ultimately be delivered. Transparency regarding changes, delays or uncertainties is not merely good business practice but may also reduce legal exposure.

LEGAL LIABILITY FOR CANCELLING TICKETED EVENTS

The cancellation of a ticketed event may expose organisers to multiple layers of legal liability beyond the obligation to refund ticket holders. The extent of such liability depends on the terms of the contract, the circumstances leading to the cancellation, applicable statutory provisions and the losses suffered by affected parties.

Firstly, the organiser may incur contractual liability for breach of contract. The purchase of a ticket generally creates a legally enforceable agreement under which the organiser undertakes to stage the event in accordance with the advertised terms. However, where the ticket or ticketing platform contains a valid and proper term governing event cancellation, postponement, refunds, or limitation of liability, the party's rights and obligations will be subject to those provisions. Consequently, where the organiser cancels or fails to perform without lawful justification, affected ticket holders may be

⁹ Section 125 FCCPA 2018

entitled not only to recover the purchase price but also to claim damages for losses that were reasonably within the contemplation of the parties at the time the contract was made.

Secondly, organisers may face liability under consumer protection legislation. The FCCPA imposes obligations on suppliers of goods and services to deal fairly with consumers and prohibits unfair, misleading or deceptive conduct¹⁰. Where an event is cancelled without adequate notice or refunds are withheld or delayed, the FCCPC may investigate complaints and take enforcement action where appropriate.

Thirdly, there may be liability for negligent or fraudulent misrepresentation where consumers purchased tickets in reliance on false statements regarding the event. If an organiser advertises confirmed performers, venues or experiences while knowing that such representations are inaccurate or without having a reasonable basis for making them, affected consumers may seek legal remedies arising from the misrepresentation.

In addition, event organisers may be exposed to claims from third-party contractors and commercial partners. Agreements with artists, venue owners, production companies, sponsors, vendors and security providers often contain minimum payment obligations or cancellation penalties. Unless excused by the terms of the relevant contracts, cancellation of the event may amount to a breach, entitling those parties to pursue damages or other contractual remedies.

Furthermore, where sales of tickets are outsourced to a third-party ticketing platform, the allocation of liability largely depends on the contractual agreement between the organiser and the third party. Where the third party merely acts as the organiser's authorised agent in facilitating ticket sales, the organiser generally remains the principal contracting party and will be liable for any breach arising from the cancellation of the event, subject to the applicable terms and conditions. The ticketing platform may also incur liability if it fails to perform any obligations expressly assumed under its own agreement with purchasers or with the organiser.

Additionally, where tickets are purchased through an unauthorised third-party reseller or black market, in the absence of any agency relationship or authorization from the organiser, the organiser will not be contractually liable to such a ticket holder, as the contractual relationship ordinarily exists between the buyer and the unauthorised seller. Consequently, claims for refunds or damages may lie primarily against the reseller rather than the organiser, unless it can be shown that the organiser authorised, endorsed, or otherwise participated in the resale arrangement.

The organiser's liability may be reduced or excluded where a valid force majeure clause applies or where the cancellation results from circumstances that legally frustrate the contract. However, such clauses are interpreted strictly and generally do not protect against cancellations arising from poor planning, financial constraints or avoidable operational failures. Importantly, the existence of a force majeure event does not necessarily extinguish the organiser's obligation to refund ticket holders, subject to the ticket terms and conditions. An organiser who cancels an event has the obligation to reimburse purchaser for paid price, even if the cancellation itself is excused by force majeure.

¹⁰ Section 124 FCCPA 2018

From a practical perspective, the legal consequences of cancelling a ticketed event may therefore extend far beyond refunding ticket purchasers. Organisers may face concurrent claims from consumers, regulatory authorities and commercial partners, making careful contractual drafting, risk management and transparent communication indispensable components of event planning.

CONCLUSION

The cancellation of a ticketed event is far more than a commercial disappointment; it is a legal issue capable of attracting significant contractual, statutory and regulatory consequences. While refunding ticket holders may satisfy the most immediate obligation, it does not necessarily extinguish an organiser's potential liability, particularly where attendees or third parties have suffered additional foreseeable losses or where consumer protection laws have been violated.

As Nigeria's entertainment and media industry continues to experience rapid growth, organisers must recognise that the sale of tickets creates legally enforceable obligations that demand careful planning and diligent execution. Well-drafted contractual terms, transparent communication with consumers, adequate contingency measures and compliance with applicable consumer protection legislation are essential to mitigating legal risks.

Ultimately, the best defence against the legal fallout of event cancellation is proactive risk management. By anticipating potential disruptions and structuring their contractual and operational frameworks accordingly, event organisers can better protect their businesses while maintaining consumer confidence and upholding the integrity of the industry.

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