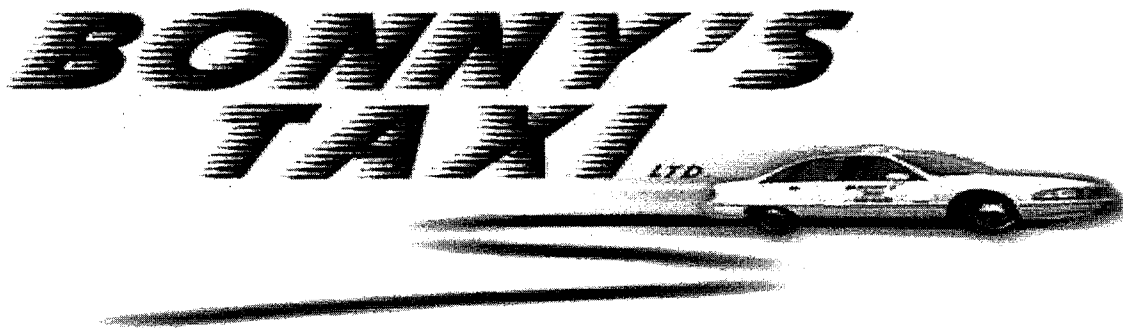


**CITY OF BURNABY
EXECUTIVE COMMITTEE OF COUNCIL
MEETING
THURSDAY MARCH 19 2015**



EMON BARI (General Manager)
5525 Imperial Street, Burnaby, BC, V5J 1E8
Phone: 604-412-0281 Fax: 604-563-6294
Email: emon@bonnystaxi.com

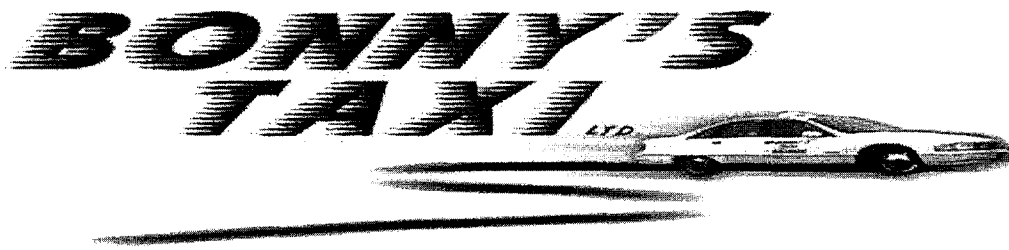


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1. Facts About Uber.
2. Local Government Bylaw for Taxis & Vehicle for Hire.
3. Uber's Unregulated Entrance into British Columbia.
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7. Media International.





BONNY'S TAXI LTD BREIFING PAPER ON UBER

What Uberlobbyists want you to know?

Your government has already been approached by lobbyists singing the virtues of Uber and the benefits it could bring to the British Columbia market. On the surface, Uber talking points spin a good story of ride sharing creating lower prices and more convenience for consumers. The San Francisco private company is well known for spinning a good story that, regardless of jurisdiction, is delivered by top lobbying and legal talent. It is critical for Uber to maintain the façade that they are a growing company active in hundreds of jurisdictions if the founders are to achieve their objective of taking the company public. The problem is that in their drive for market share, Uber's ambition has outstripped their ability to retain drivers, provide service for physically challenged and blind citizens and violated state and local law in hundreds of jurisdictions.

What to Make of Uber?

Uber may indeed have been a good idea in a theoretical sense. And practically, they have pushed the taxi industry to fast track a number of issues such as our universal app that will be available by the end of the year. But the reality of Uber has been different. It has flaunted local, state/provincial and federal law. It has aggressively avoided giving its drivers even a minimum level of training. Its business model is one where wages, training, legal compliance and service to the disabled are viewed as unaffordable costs. The company only accepts pre-registered credit cards, a fact that not only ensures that many lower income and young people are not part of its business model but also that all revenue flows out of the province.

And now, they are facing a shortage of drivers and significant legal costs. Uber has shown that it will operate outside of current laws. They have shown that they will ignore driver complaints and continually turnover drivers at a cost to service, safety and standards. They have shown a willingness to spend on lobbyists and legal counsel but not invest in the basics of a well-run,

professional industry. Uber currently does not have proper insurance and would also run a private car service for paying passengers which is currently illegal.



The View from the Taxi Industry

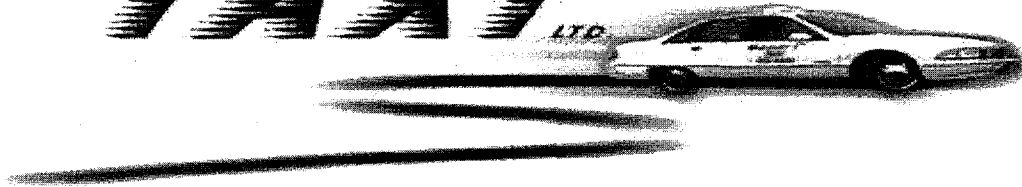
Obviously the Taxi industry views Uber as a competitive threat but this isn't the lone reason that we are meeting with you. Other alternatives to taxi service have entered the market including Zipcar, Modo and Car2Go and we understand their importance to consumers. We are proud of our industry's hiring, training and safety standards and our commitment to customer satisfaction. We are equally proud of our partnership with BC Transit and Translink on the taxi savers initiative to allow affordable trips for seniors. In short, our companies and drivers and independent operators are members of their communities. We work in partnership with our municipal governments and police departments to ensure that service is constantly improving and any issues are quickly resolved. As a proud partner in AMBER ALERT for ten years the Association and its member taxi companies feel privileged serving British Columbians.

Uber has a constantly shifting driver pool that self applies to the company knowing that standards and revenues will likely be less than in the taxi industry. The drivers cannot take payment. It all flows directly to head office. In short, there are many questions to be asked about what exactly Uber brings to the community. Uber is putting British Columbians in public safety scenario and financial loss.

We respectfully ask that you take some time to consider as what benefit Uber can provide to the British Columbians and at what cost besides flouting our laws to operate illegally, drivers not trained and not vetted by police for criminal checks, compromising public safety, discriminating against seniors, persons with disabilities and others who are not privileged to have credit cards, under insured, and unsafe private vehicles not going through mandatory mechanical inspections and more ever our tax money would be flowing across our borders.



BONNY'S TAXI



LICENCE

- Each Bonny's Taxi operates under a Business Licence issued by the City of Burnaby.
- Each Bonny's Taxi operates in the City of Burnaby according to the City Bylaw number 12658 which specify the whole operation of taxi including drivers chauffeurs permit, vehicle age, standard of service, dual taxi cab and taxi identifier.
- Bonny's Taxi operates under jurisdiction boundary as set by PTB (Passenger Transportation Board)

SAFETY

- Taxis from Lower mainland and CRD have safety cameras
- Taxis are required to have commercial mechanical vehicle inspections from government certified shops semi-annually
- Burnaby municipality vehicle inspections are required and companies do physical inspections
- Drivers must have a class 4 or better professional commercial license
- Chauffeur permits are issued by the police department after criminal record checks
- Each Bonny's taxi has to abide by the national safety code rules and regulations
- Drivers must do pre-inspection and record that the taxi is safe to drive
- Taxi Bill of Rights is mandatory in the Lower Mainland

TRAINING

- All drivers go through the driver training conducted by the Justice Institute, Westminster (TaxiHost Pro course.)
- Drivers go through in house training from taxi companies and accessible training and workshops organized by the BC Taxi Association and companies through Richmond Disability Center (RDC) and Handy-dart (TransLink MVT Canada) manager

INSURANCE COVERAGE

- Third party liability insurance coverage by the taxi companies is provided from 5-9 million dollars beside two million dollars covered by each taxi
- Commercial insurance costs for Lower Mainland taxis average \$22,000 annually



- **ICBC has clear instructions about commercial vehicle insurance which is tied with Bonny's national safety code.**
- **ICBC also has instructions about service like Uber or Lyft in their website which forbids this kind of service without a licence approved by BC's Passenger Transportation Board. (See links below)**

<http://www.icbc.com/FAQ/Pages/Driver-licensing.aspx>

<http://www.icbc.com/FAQ/Pages/insurance.aspx>

<http://www.icbc.com/driver-licensing/types-licences/Pages/Licence-classes-and-types.aspx>

CVSE (Commercial Vehicle Safety and Enforcement Branch)

- **Each Bonny's taxi is operated according to CVSE hours of service rules.**
- **CVSE do random mechanical inspection to taxis.**

APPS

- **Bonny's taxi has developed smart phone apps for their fleet.**
- **We are in the process of acquiring and implementing DDS Digital Dispatch System Richmond, B.C, Global App for the suburban member taxi companies**
- **Bonny's Taxi has assisted its communities by preventing break- ins, violence, sexual assaults and criminal activities through a mere presence, driving around and reporting to the police. The taxis serve all the sects of the society on 24/7 basis**
- **Bonny's Taxi is a proud partner for AMBER ALERT for 10 years as one of the first responders provincially.**





Uber's Unregulated Entrance into British Columbia

BACKGROUND

- Uber is aggressively trying to re-launch service in British Columbia despite being shut down by the BC Passenger Transportation Board when it last tried to launch here in 2012.
- Uber is an unregulated passenger transportation service that has faced criticism in many places it operates due to safety concerns, improper insurance, and misleading business practices.

BONNY'S TAXI LTD. AND BC TAXI ASSOCIATION POSITION

- It is in the best interests of the public that all passenger transportation providers compete on a level playing field including public protection, licensing, permitting and insurance requirements that meet those in place for taxi companies.
- Bonny's Taxi Ltd and the BC Taxi Association agreed with the Passenger Transportation Board's 2012 decision to not allow Uber to operate in British Columbia. Uber's business model completely disregards the rules and regulations we have in British Columbia and disregards safety concerns when it comes to insurance requirements, vehicle inspection, driver's licence requirements, liability and passenger safety.
- Uber is trying to come into the British Columbian marketplace with the same operating model it did in 2012 so we expect the Passenger Transportation Board to come to the same decision it did two years ago.

RATIONALE

- Uber's business model completely disregards the rules and regulations we have in British Columbia and disregards safety concerns when it comes to insurance requirements, vehicle inspection, driver's licence requirements, liability and passenger safety.
 - Uber drivers are only required to have a general Class 5 licence whereas BC taxi driver are required to have a Class 4 commercial licence.
 - Uber drivers are not required to have adequate insurance coverage, fleet insurance coverage or insurance required to carry passengers.



- Vehicles driven by Uber drivers are not required to be inspected whereas vehicles being driven by properly licenced drivers are required to be inspected every six months.
- Uber drivers are not required to take any training nor are they required to be certified by the Justice Institute of British Columbia through their TaxiHost Pro program.
- For safety of drivers and passengers, BC taxi drivers are required to have security cameras in their vehicles; there is no such requirement for Uber vehicles.
- Other security and safety measures required for BC taxis such as no tinted windows are not required for Uber vehicles.
- Taxi drivers are hardworking British Columbians who spend up to 12 hours a day on the road earning a paycheck for their families. Unregulated services like Uber take customers away from local businesses and taxi drivers and make it harder for them to earn a living.
- Bonny's Taxi Ltd and the BC Taxi Association with the Passenger Transportation Board's 2012 decision to not allow Uber to operate in British Columbia.
- Uber is trying to come into British Columbian marketplace with the same operating model it did in 2012 so we expect the Passenger Transportation Board to come to the same decision it did two years ago.

ABOUT THE BC TAXI ASSOCIATION

Bonny's Taxi Ltd is a founder member of BC Taxi Association and the General Manager of Bonny's Taxi Ltd is a elected board member of the Association.

The Association is a non-profit organization, duly registered in accordance with the laws of British Columbia.

We are continuously seeking to improve the safety standards in the taxi industry. In the taxi industry there are thousands of small business entrepreneurs trying to survive and succeed. A healthy and viable taxi industry is essential in achieving these goals.





Ministry of
Transportation
and Infrastructure

INDUSTRY NOTICE

Regulatory Concerns Associated with the Use of Smartphone Applications (Apps) and Non-compliance with Passenger Rates

Posted November 23, 2012

Smartphone Apps are facilitating the booking of passenger transportation services. These apps connect passengers with limousines or taxis immediately. The industry has raised concerns about Smartphone Apps that advertise rates that have not been approved by the Passenger Transportation Board (Board).

Some operators/drivers may be independently providing passenger transportation services through Smartphone Apps and charging passenger rates that have not been approved by the Board. The charging or collecting of rates that have not been approved is of concern to the industry, the Board and the Passenger Transportation Branch. It is contrary to the *Passenger Transportation Act*, undermines rate structures in place and could result in destructive competition.

The Registrar of Passenger Transportation (Registrar) is accountable for the enforcement and compliance of the *Passenger Transportation Act*, including imposing sanctions and penalties.

A licensee is required to maintain care and control of every commercial passenger vehicle and driver operating under their licence. If a licensee is not in compliance with its rates, the Registrar may take one or more of the following actions:

- (a) order that the licensee's licence be suspended for any period the Registrar considers necessary;
- (b) make an order prohibiting the licensee from doing one or more of the following:
 - (i) transferring the licence to another person;
 - (ii) amending the licence;



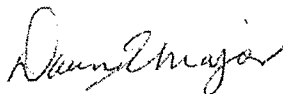
- (iii) replacing the licence;
 - (iv) renewing the licence;
 - (v) obtaining a new licence;
- (c) order the licensee to stop operating one or more motor vehicles under the authority of a licence and, subject to subsection (1.1), to
- (i) return, in the manner prescribed by the regulations, the special authorization vehicle identifiers and the vehicle identification certificates issued in relation to those motor vehicles, and
 - (ii) remove from or cease displaying on each motor vehicle the general authorization vehicle identifier assigned by the licence in respect of that motor vehicle;
- (d) order that the licensee's licence be cancelled;
- (e) make an order imposing an administrative fine on the licensee.

Information on Board approved rates is available on the Board's website at <http://www.th.gov.bc.ca/ptb/rates.htm>.

You can also find information about filing a change of rates application on the Registrar's website at http://www.th.gov.bc.ca/rpt/licence_existing.htm.

Please call the Passenger Transportation Branch Duty Inspector at 604-453-4250 if you have any questions.

Yours truly,



Dawn Major
Registrar and Director
Passenger Transportation Branch



FACTSHEET: Uber

/ministries/transportation-and-infrastructure/factsheets/factsheet-uber.html

Tuesday, October 28, 2014 3:04 PM

OPERATING A PASSENGER TRANSPORTATION VEHICLE IN B.C.

Any vehicle operated by a person who charges or collects compensation for transporting passengers must be licenced under the Passenger Transportation Act.

Limousine, taxi and other passenger directed services, including those dispatched through a "rideshare" app such as Uber or Lyft, must be approved by the Passenger Transportation Board. Currently, Uber and Lyft are not licenced in B.C.

The rates charged by taxis, limousines and other small passenger directed vehicles are set or approved by the Passenger Transportation Board.

Smart phone apps operated by any company, including commercial "rideshare" providers, must reflect Passenger Transportation Board approved rates.

Vehicle operators will also need:

- A **National Safety Code** Safety Certificate
- Semi-annual **commercial vehicle inspections**
- To check with the municipality where you plan to operate for any additional requirements
- A **driver's licence and vehicle insurance** that meets the requirements for commercial vehicles.

Fines:

- Any company or driver advertising or providing a service they're not licensed to provide is subject to being ticketed.
- A ticket for \$1,150 can be issued by the police, Commercial Vehicle Safety Enforcement officers or Passenger Transportation Inspectors at the roadside.
- Repeat offenders can be fined up to \$5,000.

Contact:

Ministry of Transportation and Infrastructure
Government Communications and Public Engagement
250 356-8241



NEWS - Is Uber Coming to British Columbia?

Mon, 2014-11-03 21:17 — DriveSmartBC



The news agencies are busily discussing the possibility of Uber becoming active in Vancouver. Uber is a way to make money with your vehicle by sharing rides in your vehicle with people willing to pay less than taxi fare to you. You sign up as a driver with Uber and the Uber app puts people seeking a ride in touch with you via smart phone. A simple way to earn cash? Not in BC.

Before you sign up with Uber you should be aware that using your private vehicle for business purposes could void your insurance coverage should you be involved in a collision while carrying a paying passenger. Discuss this very carefully with your insurance agent before you sign up.

Be aware that the Passenger Transportation Act and Regulation require licencing and inspection as well as fare and territory control. Uber does not replace this and violations can be very costly, \$1,150.00 in fact.

Regardless of the fact that Uber will currently accept your application as a driver in Vancouver, you should be aware of the significant pitfalls related to your participation under current BC laws.

Links:

- The Uber Web Site
- BC Government News Regarding Uber's 2012 Attempt to Set Up in BC
- Passenger Transportation Act
- Passenger Transportation Regulation
- Commercial Vehicles
- Government
- Vehicle Licencing
- Login to post comments

<http://drivesmartbc.ca/commercial-vehicles/news-uber-coming-british-columbia>



355 West Queens Road
North Vancouver BC
V7N 4N5

www.dnv.org



Mayor Richard Walton
Phone: 604 990 2208
Fax: 604 990 2403
rwalton@dnv.org

December 24, 2014

The Honourable Todd Stone
Minister of Transportation and Infrastructure
Province of British Columbia
PO Box 9056, STN PROV GOVT
Victoria, BC V8V 9E2

Dear Minister Stone:

Further to North Vancouver District's Council's resolution at the Regular Council meeting of Monday, December 15, 2014 (attached), I am writing to express the District's support for the Province of British Columbia to continue to ensure that all vehicles for hire in British Columbia be required to acquire a licence through the Passenger Transportation Board on an equal basis, and on the basis of public need, the suitability of the applicant and health of the taxi industry.

The District of North Vancouver has reaffirmed its commitment to enforcing our current vehicle for hire bylaws. We are committed to ensuring that any vehicle for hire operating in the District is licenced in order to promote safety and accountability.

On behalf of Council I thank you for your consideration, and for your Ministry's ongoing role in ensuring the safety and sustainability of vehicle for hire services in our province on an equal basis.

Sincerely,

Richard Walton, FCA
Mayor

Cc: District Council
Gurdip Sahota, North Shore Taxi
Paul Gill, Sunshine Cabs



355 West Queens Road
North Vancouver BC
V7N 4N5

www.dnv.org



James A. Gordon CMC
Municipal Clerk
Phone: 604 990 2207
Fax: 604 984 9637
gordonj@dnv.org

January 6, 2015

EXCERPT of the Regular Meeting of the Council for The Corporation of the District of North Vancouver held in the Council Chambers of the Municipal Hall, 355 West Queens Road, North Vancouver, B.C. on Monday, December 15, 2014 commencing at 7:00 p.m.

Gurdip Sahota & Paul Gill, North Shore Taxi (1996) Ltd.

File:

MOVED by Councillor BASSAM

SECONDED by Councillor MACKAY-DUNN

THAT the North Shore Taxi delegation be received for information.

CARRIED

MOVED by Councillor MACKAY-DUNN

SECONDED by Councillor BASSAM

THAT Council request a staff report including the following information:

- The number of licenced cabs on the North Shore;
- How is the increase of cabs is determined by the Ministry;
- What is the cost of a taxi license;
- Why is the cost of insurance so high; and,
- Identify any impacts that Uber has operating in different cities.

CARRIED

OPPOSED: Mayor WALTON and Councillors BOND and MURI

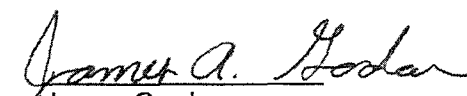
MOVED by Mayor WALTON

SECONDED by Councillor MACKAY-DUNN

THAT Council request that the Ministry of Transportation and Infrastructure enforce the existing legislation pertaining to the taxi industry in BC.

CARRIED

Certified a true copy:


James Gordon
Municipal Clerk



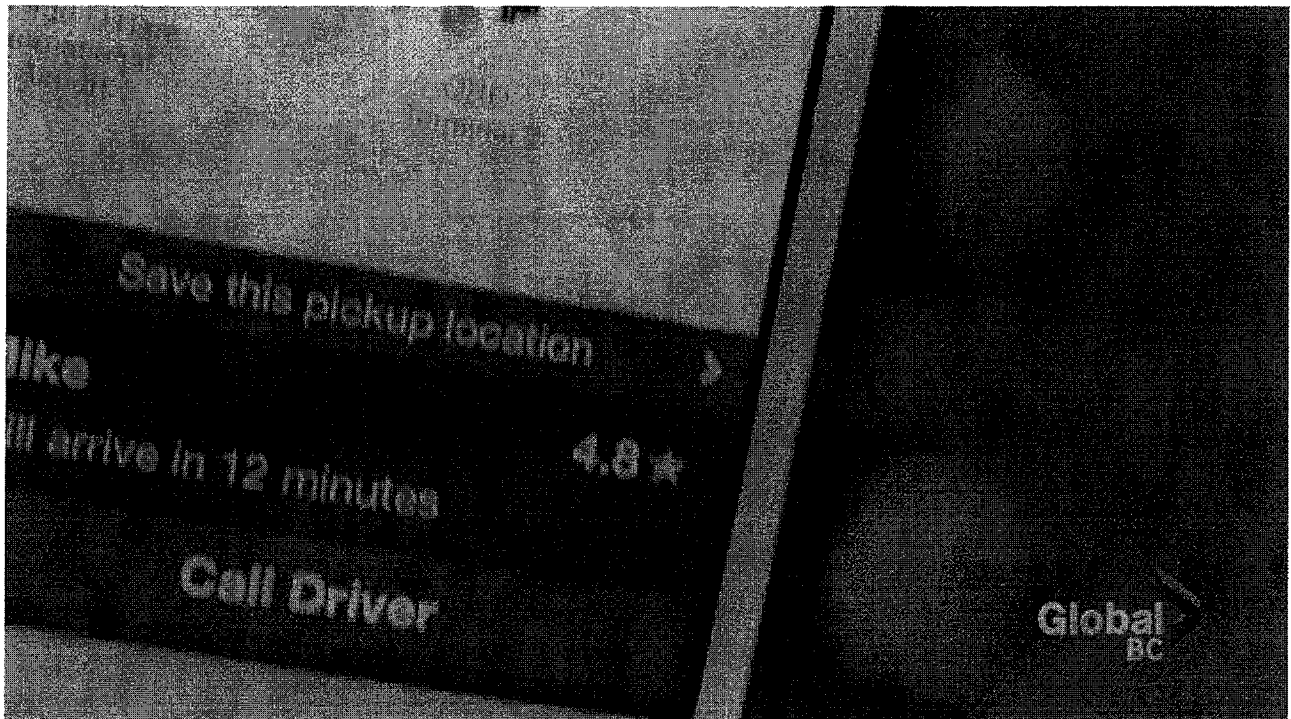
- [Follow](#)

[Uber](#)

October 6, 2014 10:17 pm

Updated: October 7, 2014 1:13 am

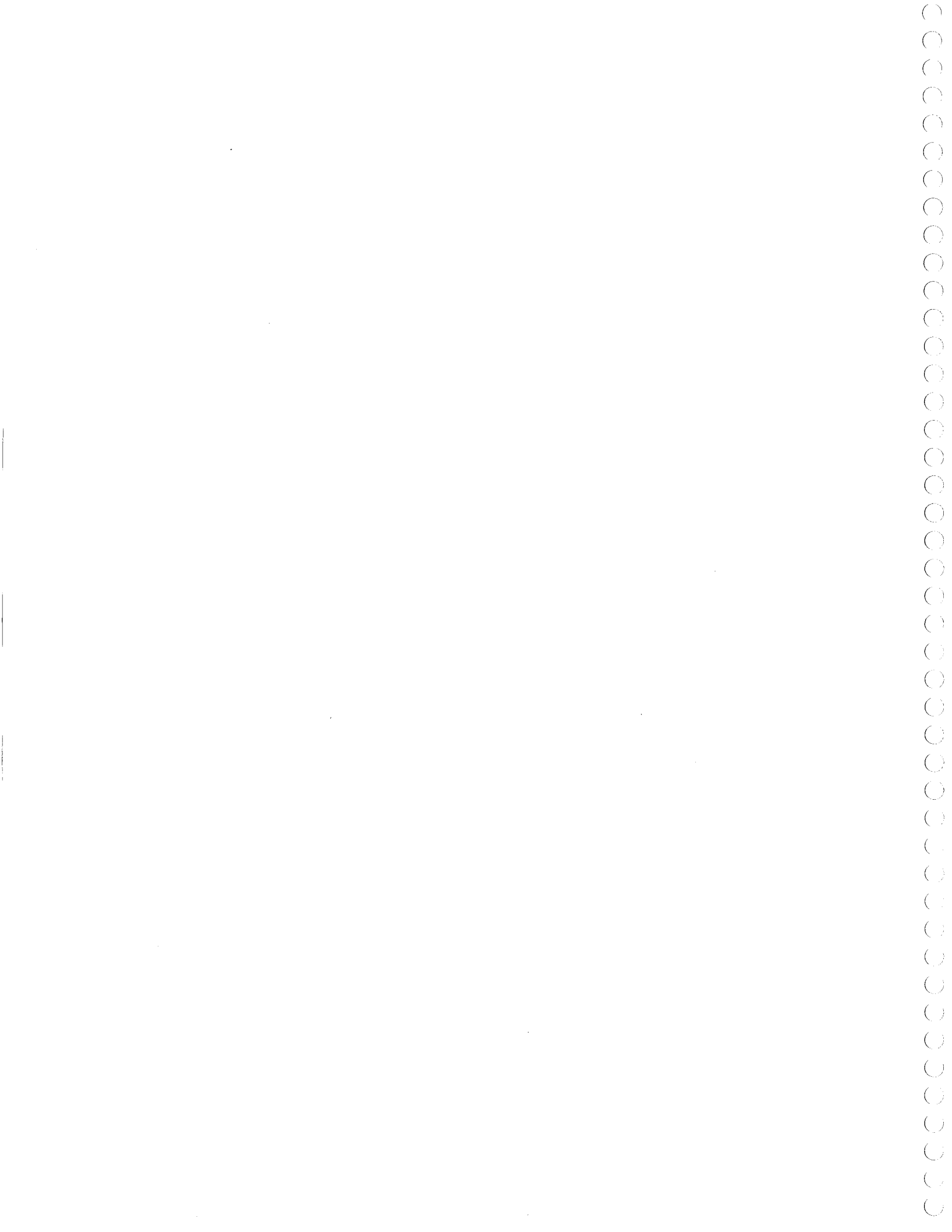
City of Vancouver puts a six-month moratorium on ride-share program Uber



WATCH: Debate continues over whether Uber should be allowed in Vancouver. Jeremy Hunka reports.

VANCOUVER – The City of Vancouver has put a six-month moratorium on San Francisco-based ride-sharing app Uber from setting up in Vancouver.

The popular app was driven out of Vancouver in 2012 by the provincial Transportation Board. The regulator requested the company apply for a limousine licence, which requires consumers to spend a minimum of \$75 per trip.



But recently rumours started surfacing that Uber was going to make a comeback in Vancouver and that has the taxi industry concerned. The app connects drivers to passengers, all online and unregulated.

"There's a lot of things that we offer that Uber doesn't offer," said Kulwant Sahota, Yellow Cab president and spokesperson for the Vancouver Taxi Association. "One of the reasons is safety. The drivers, they say they're checked, are they being checked?"

"We go through inspections twice a year and we go through City Hall inspections twice a year too."

Carolyn Bauer from Yellow Cab said Uber could also go through the same safety checks if they made the proper applications to the Passenger Safety Board.

"How can you put a 21-year-old with a Class 5 driver's licence, that barely has driven on the road, on the road with no number of limit of vehicles that you're going to be putting on the road. So we could end up with a thousand, 1,500, 2,000 cars on the road with 21 year olds or 65 year olds driving around not knowing who they are, picking up people, it's just not right."

"They need to be regulated."

Uber said demand for the service in the area is high and they've already had to work around hundreds of different regulations in other cities.

Bauer said the taxi industry welcomes competition but it has to be on a level playing field.

"If it isn't there then how do we compete?" he said.

"How are these people, that have built this taxi industry, going to pay their mortgages?"

Business experts say the rules should be the same for everyone.

"The incumbents do have a legitimate point that 'hey, we're playing by a very constrained set of rules', for Uber to come in and get to play by an entirely different set of rules is unfair competition," said Thomas Davidoff from the Sauder School of Business.





Media – Canada

- a. Montreal Gazette – City seizes Uber X cars as conflict heads to court.
- b. CBC Edmonton – City of Edmonton files court injunction against Uber.
- c. Edmonton Sun – Edmonton slaps Uber with court injunction to stop operation.
- d. Edmonton Journal – Park it Uber: City seeks court injunction to stop car-sharing serve from operating.
- e. Ottawa Sun – City readies more Uber c charges.
- f. CTV Edmonton – City launches legal action against Uber.
- g. CTV News Ottawa – more charges coming against Uber driver's as 4 head to court today.
- h. Huffington Post Canada – Montreal vs. Uber: Cars Seized, Class-Action Lawsuit Launched.
- i. Toronto Star – Insurance bureau raises concerns about extent of Uber coverage.
- j. Edmonton Journal – Free Uber rides still flout bylaws, City's legal advisers say.
- k. Edmonton Sun – Free Uber is 'creative ' way around Edmonton's taxi bylaws: Opponent Coun.
Michael Oshry
- l. Global Edmonton – Battle between Uber and the City heats up in Edmonton.
- m. Rogers Media – Uber –Risky: Hamilton Will Fine, Report Ride-Share Drivers.
- n. Ottawa Citizen – Ottawa keeps eye on Toronto's legal battle with Uber.
- o. CBC News – Uber warning issued by Canada's insurance industry.
- p. Daily Brew – Taxi app Uber's Canadian growth causing battles with city, cab companies.
- q. Ottawa Citizen – Two Uber drivers charged over the weekend.
- r. News 1130 – Ride-sharing service Uber could face insurance liability issues.
- s. Financial Post – Uber's Canadian launch of ride-sharing service greeted with controversy
- t. Calgary Herald – Uber used unlicensed cars, drivers in Calgary trial, city alleges.



Montreal Gazette

February 5, 2015

City seizes Uber X cars as conflict heads to court

By Jason Madger

Uber is heading to court in Montreal.

The upstart competitor to the taxi industry had two of its cars seized in the last few weeks and its drivers fined. It could also be facing a class-action suit.

Jean-Nicolas Guillemette, Uber's general manager for Montreal, explained that two drivers were fined driving for the Uber X service — using personal cars to give lifts to others for a charge.

Guillemette refused to give details about the incident, saying he would allow the city to reveal its method of tracking down and imposing fines on Uber X drivers. However, he said the company will stand by its drivers, and support them financially as they fight their fines in court. Guillemette said he didn't know for how long the cars were seized, but said the drivers had their cars back on Thursday. He said these were the first two Uber X drivers to have their cars seized.

Uber X is priced lower than traditional taxi fares. As such, the taxi industry in this city has objected to it, saying drivers do not pay taxi licence fees, so they have an unfair advantage. Both the city and the province have said the service is illegal, as its drivers are not licensed for commercial driving, and the company is not regulated by Montreal's taxi bureau.

"I think the city should focus on taking the time to sit down with us, instead of spending taxpayers' money to impound cars and use the time of police officers (to track down drivers), because at the end of the day, tens of thousands of Montrealers use the service every week. They are voters, and have the right to (use it)," Guillemette said. "I guess the city should listen to them."

There is no court date yet, but since this is a case before the municipal court, it will likely take several months before Uber gets to argue its case before a judge.

Another legal challenge is also being mounted in superior court by the city's 11,000 taxi drivers, who have filed for permission to launch a class-action suit against the service.

Guillemette said Uber has reached out to Montreal Mayor Denis Coderre, through phone calls, emails and letters, but has not been granted a meeting. The company has, however, met with Quebec Transport Minister Robert Poëti.

"We're in discussion with (Poëti's) cabinet on a regular basis. I think both parties want to reach a permanent solution," he said. "And we would love to have the same kind of response from the city."

For his part, Poëti has declared Uber illegal, and has warned its drivers they offer rides at their own risk.

"Those who are (charging for chauffeuring customers) outside of the law, are risking a fine, and the confiscation of their cars," Poëti told the Montreal Gazette in November.

Montreal isn't the only city where Uber has run into legal hurdles. The city of Toronto took the company to court in an effort to get an injunction against the service. A court date is scheduled for May. However, newly elected Toronto Mayor John Tory has said he wants to work with Uber to find a way to allow the company to operate within the existing legal framework. The company has also run into legal challenges in Portland, Ore., and the state of Nevada, where it was forced to suspend its operations.

Calls to the city's executive committee were referred to Montreal's Taxi Bureau. A request for an interview was not returned on Thursday.

CBC Edmonton

February 5, 2015

City of Edmonton files court injunction against Uber

By Laura Osman

The city of Edmonton has followed through on its threat to file a court injunction against Uber to get them to cease operations.

The controversial ride-share company started operating in Edmonton at the end of December. Late last week, Uber announced it would offer free rides, calling into question whether the service was still operating illegally.

"As far as we're concerned they're continuing to operate a business, and therefore we are pursuing the injunction," said Scott Mackie, the city's planning manager.

The city considers the service illegal because drivers do not hold taxi licenses.

"It is not reasonable to allow any service to continue operating that potentially poses risks to the public," he said.

Edmonton city council will continue to look at changing regulations to allow services like Uber to operate.

However, those recommendations are not expected until the fall and the city asked Uber to stop operations in the meantime.

If successful, Edmonton will be the first city in Canada to make Uber legal.

"People are getting more demanding and they should be more demanding," Coun. Scott McKeen said.

"There's a service demand that's not being met by the status quo."

City officials said they don't know when the courts will make a decision about whether to allow the injunction.

The City of Toronto filed for a similar injunction in November, but it has not yet been approved.

Edmonton Sun

February 5, 2015

Edmonton slaps Uber with court injunction to stop operation

By Dave Lazzarino

Edmonton lawmakers have asked ride-sharing company Uber to put the brakes on doing business in town -- and this time they are taking the issue to court.

At noon Thursday, the city filed an injunction against the app-based company asking Uber to cease operations.

"The city of Edmonton is committed to working with Uber on addressing our concerns," said Scott Mackie, branch manager for Edmonton's planning branch.

The move is the latest in a battle that has seen Uber supporters and taxi drivers square off with the former calling for technological change in transportation systems and the latter claiming that change would be at the cost of public safety.

On Jan. 20, the city's executive committee asked administration to request the company to cease operations until a collaborative agreement could be made between them.

Mackie said the city spoke with Uber but shortly afterward the company began a campaign offering free rides to customers and circulated an online petition to supporters.

"It is not reasonable to allow any service to continue operating that potentially poses risks to the public," said Mackie.

He added Edmonton is one of the first cities in Canada to consider working with Uber to develop a regulatory framework for them to operate legally and though the rides are now being offered for free, they are still contrary to the city's vehicle-for-hire bylaw.

The injunction also points to protecting the taxi industry as well.

"Restraining Uber's operations in Edmonton is also necessary to preserve the integrity and stability of the taxi regime in Edmonton as a whole," said the application.

It asks Uber to not only stop offering rides but to stop registering and creating accounts for users, stop recruiting drivers and stop advertising or promoting the availability of the company in Edmonton.

The order also asks Uber to prominently post the result of this injunction on its website within two days of a decision being made and to send that information to any drivers and passengers.

The city outlines the major difficulties they've met when trying to prosecute Uber, saying when an Uber driver is charged Uber has been de-activating the accounts of the officers who booked the ride.

As for public safety, the city cites reports of a case in San Francisco involving a six-year-old girl who was allegedly struck and killed by an Uber driver while waiting for a fare with her mother and brother.

No immediate action is expected, but Mackie said bylaw officers will continue to crack down on what they've called "bandit cabs."

Edmonton Journal

February 5, 2015

Park it Uber: City seeks court injunction to stop car-sharing service from operating

By Leslie Stolte

EDMONTON - The City of Edmonton filed documents Thursday seeking a court injunction against the transportation and technology company Uber.

City spokesman Scott Mackie said the city's primary concern is public safety.

Following directions from city councillors Jan. 20, city officials asked the California-based company to withdraw voluntarily until new bylaws are considered later this year.

When the company refused, the city decided to seek a court ruling. No date has been set for the case, which will be heard before Court of Queen's Bench.

The company has operated its UberX service in Edmonton since Dec. 18. The mobile app-based service uses individuals with a regular Class 5 licence to drive customers in their private vehicles.

Councillors have concerns about the insurance drivers carry.

The court filing says Uber is acting as a taxi broker without a licence. It is recruiting, screening and dispatching individuals who are not licensed taxi drivers. It charges passengers for transportation according to prices it determines.

Uber has argued it is a ride-sharing company, part of a new sharing economy, and therefore falls outside of Edmonton's vehicle-for-hire bylaws.

In its filing, the City of Edmonton objected to that terminology.

"The term ride sharing is, in my view, another word for carpooling. It is clear from Uber's operations that it is not engaged in or facilitating carpooling. It brokers vehicle transportation for compensation only," said Garry Dziwenka, director of business licensing and vehicle for hire, in an affidavit filed with the court.

The city is seeking a ruling to stop Uber from operating as a taxi brokerage. It is also asking for Uber to be forced to "prominently post" a copy of any court order on its website and send a copy to anyone who has driven or taken an Uber ride within two days.

The city is seeking reimbursement for the costs of the lawsuit.

"We're following direction from committee. We think it's reasonable in the interest of public safety to do that," said Mackie, branch manager of the city's planning division.

"It is not reasonable to allow any service to continue operating that poses a risk to the public."

Mackie said the city will continue to work on legislation to enable alternative transportation companies, such as Uber and competitors Lyft and Sidecar, to operate safely in Edmonton while they seek the court injunction.

Uber has not yet filed a response in court.

The company said Thursday the "City of Edmonton has recognized the need for a new regulatory framework for ride-sharing alternatives like Uber and we remain committed to work with them to find solutions. It is unfortunate, however, that despite the vocal support of over 8,000 Edmontonians, the city has decided to spend taxpayer dollars on legal action," Uber spokesman Xavier Van Chau said in a written statement.

Uber organized a petition last week, asking the city to allow it to continue operating in Edmonton. That petition was signed by 8,600 people.

Ottawa Sun

February 5, 2015

City readies more Uber charges

By Jon Willing

More Uber drivers will be charged under the taxi bylaw in the coming weeks after a recent enforcement campaign, the city says.

Susan Jones, general manager of emergency and protective services, didn't have the exact number but she said it's at least 10.

"We expect to be laying several charges over the next few weeks," Jones said.

Accepting fares without a taxi permit and taxi plate is against the bylaw. Uber, which dispatches drivers through a smartphone application, doesn't require its drivers to have taxi permits.

At least four Uber drivers are already challenging their tickets in court.

On Thursday, a justice of the peace adjourned the cases of Patpinder Chopra, Sedik M. Said, Ephrem Z. Weldehana and Trevor Martin to Feb. 19. They didn't attend court but were represented by a lawyer.

Several taxi drivers sat in the courtroom eager to see what happens with the charges.

Amrik Singh, president of the Ottawa Taxi Union, said the cabbies plan to attend each of the appearances of the Uber drivers. They want to see "what kind of argument they have in the real court and how they prove themselves they are legal," Singh said.

Singh said bylaw tickets are a good start and they hope the province will strengthen laws against illegal taxis.

"Fines are not enough, but this is what is available at this time," Singh said.

"These guys are unsafe, uninsured, they are illegal."

In a recent interview, Coventry Connections CEO Hanif Patni said he thinks the city should be doing more to bust Uber drivers. Coventry dispatches for many cab companies in Ottawa, plus it owns Blueline.

Jones said the city also hopes the province brings in tougher laws against bandit cabs. Two private members bills recommend giving authorities the power to impound illegal taxis.

"We're using every tool available to us," Jones said.

Philip Powell, manager of licensing, said it can take several days for bylaw staff to hand Uber drivers the tickets. Staff book the Uber ride and have to confirm a fare was charged on the credit card before giving out the ticket.

"It's a more onerous process," Powell said.

The bylaw tickets under challenge in Ottawa could be the first tested by an Ontario court, Powell said.

Meanwhile, Uber dropped the prices of rides Thursday morning in Ottawa, Montreal and Toronto and started guaranteeing minimum fares per hour for drivers.

CTV Edmonton

February 5, 2015

City launches legal action against Uber

By Julia Parrish

Officials with the City of Edmonton said they have followed through with a threat to launch legal action against Uber.

Scott Mackie, with the City of Edmonton, said Thursday that legal papers had been filed, after a city committee asked Uber to stop operations in Edmonton voluntarily in late January – but the company did not.

“Uber has chosen not to cease operations, which has forced us to file for an injunction, as directed by Executive Committee,” Mackie said. “We recognize that advances in technology are changing personal transportation options.”

The move to have Uber stop operations came as the City planned to examine current bylaws surrounding the Taxi and Vehicle-for-hire industry. Mackie said safety was one issue officials were discussing.

“It is not reasonable to allow any service to continue operating that potentially poses risks to the public,” Mackie said.

However, after the committee decision, Uber halted the payment portion of its service in Edmonton and offered free rides instead.

Despite the legal action, Mackie said the City is willing to talk with Uber to update current regulations.

In a written statement, Uber said it’s committed to finding a solution – but said it is ‘unfortunate’ the City is using taxpayer’s money to launch legal action.

CTV News Ottawa

February 5, 2015

More charges coming against Uber drivers as 4 head to court today

By Joanne Schnurr

Uber announced some fare cuts today on the heels of a court case in Ottawa involving four Uber drivers. The four are the first to be fined, as the city cracks down on what it considers an illegal cab service. The head of Ottawa's bylaw services says more fines are about to be laid.

Outside the provincial courthouse on Constellation Drive, Blueline cab drivers taxi for position, anxious to weigh in on a case they say will determine their livelihood.

'This taxi company is an illegal taxi business,' says Blueline driver Iskhak Mial, 'It's not safe, so we're here to support the bylaw people who are fighting for these things.'

Uber, the American app-based transportation company, has quickly spread into the Canadian market. Ottawa is cracking down fining drivers because they don't have a taxi license. Susan Jones, the head of Bylaw Services with the City of Ottawa, confirmed that the city is preparing to lay at least 10 more charges against drivers within the coming weeks.

Stuart Huxley is the Senior Legal Counsel for the city of Ottawa, representing the city in court.

'These tickets can, if there is a conviction, serve as a means of deterring others who are likeminded in trying to engage in similar conduct,' says Huxley.

Four Ottawa drivers face the maximum penalty of \$615 but they are contesting it. An hour after their case was adjourned for the day, Uber tweeted out a message announcing for the first time ever, it was cutting fares for a limited time in Ottawa, Toronto and Montreal.

The head of the Ottawa taxi drivers' union, Amrik Singh, says that's a deliberate attempt to fool the public.

'They may have dropped (fare prices) but I know the situation when they have doubled their rates, even ten times their rates,' says Amrik Singh, who attended today's court case, 'We can't do it because we follow the law.'

Uber is under assault in Montreal, where two drivers have had their cars impounded. And a class-action lawsuit has been launched against the company. In Ontario, two MPP's have introduced private members' bills that, if passed, would drastically toughen the fines for people driving bandit cabs.

Cab drivers are vocal in their opposition.

'They are gypsies, an illegal taxi,' says Dawit Tegegne.'

They are vowing to fight the company any way they can.

'We will come (to court) until the judge tells them to stop their operation,' vows Amrik Singh.

Today's case was adjourned until February 19th.

Huffington Post Canada

February 4, 2014

Montreal vs. Uber: Cars Seized, Class-Action Lawsuit Launched

By Daniel Tencer

Uber is under full assault in Montreal, where two UberX drivers' cars have been impounded and a class-action lawsuit against the unlicensed taxi service is getting underway.

According to La Presse, Montreal's municipal taxi bureau, the mayor's office and the provincial government were involved in an operation that has led to two Uber cars being seized in recent days.

The drivers face unspecified fines, the newspaper reported.

Meanwhile, radio station CJAD reports that a class-action lawsuit against Uber was filed in a Quebec court last month. The suit was brought on behalf of Montreal's 11,000 conventional taxi drivers, and has yet to be certified by the court.

Lawyer Benoit Marion said Uber is undercutting cab drivers who have to pay thousands for a taxi licence.

"If you run a business and there are some regulations about that business, you have to follow them," he told CJAD.

Uber Montreal CEO Jean-Nicolas Guillemette told La Presse the drivers have pleaded not guilty, and the company will pay the fines if there are any to be paid.

"We support our partners, both financially and morally," he said, but noted that Uber doesn't always pay its drivers' costs in such circumstances. "It depends on the case."

Uber's UberX taxi service debuted in Montreal last fall to warnings from the government that it is illegal. Uber execs met with provincial government officials in December, urging them to allow and regulate its service.

Ministry officials sounded positive about the company's ride-hailing app, but less so on its taxi service.

"You cannot just decide that you are going to do something because you are nice and make a business with it and not follow the rules. So that's going to be harder. That's for sure," Transport Minister Robert Poeti said.

Uber — and traditional taxi services — may face even more competition in the future, with news this week that Google is looking into launching a taxi service.

Google's taxi service may involve driverless cars, Bloomberg News reports.

Not to be outdone, Uber is also looking at driverless car technology. It has partnered with Carnegie Mellon University to create a research centre that will design automated vehicles.

Toronto Star

February 4, 2015

Insurance bureau raises concerns about extent of Uber coverage

By Betsy Powell

While Uber Canada assures the public it aims to offer the safest ride on Toronto's roads, the country's insurance lobby fears the company might not provide adequate insurance protection.

"It's like Santa Claus — you hope it exists but you're kind of skeptical," said Pete Karageorgos, director of consumer and industry relations for the Insurance Bureau of Canada.

The insurance bureau's concern revolves around personal and commercial insurance.

Licensed Toronto taxis need commercial insurance, a more comprehensive and costly form of coverage than the personal insurance carried by most drivers. The bureau says it's unclear whether UberX drivers — those who use their own cars to pick up fare-paying customers for rides arranged through the company's smart phone app — are required to have commercial insurance.

What Uber Canada will say is this: If an accident occurs during an UberX trip, Canadians can "rest assured" passengers, pedestrians and other motorists are "well covered" by commercial auto insurance in addition to any insurance coverage maintained by the driver, Uber Canada spokesman Xavier Van Chau wrote in email.

"We are confident our insurance model will provide coverage as it does in every jurisdiction where we operate."

Van Chau's email said Uber's insurance policy is "proprietary" and therefore not public. He did not respond to the Star's request to clarify if it is Uber's policy that drivers have commercial insurance.

But he said every UberX ride is backed by \$5 million of contingent auto liability insurance covering bodily injury and property damage.

The coverage is "far greater" than standard requirements for taxi and limo insurance in Canada and is underwritten by insurance company A.M. Best, he wrote.

Karageorgos said Uber's response to questions about its insurance policies is filled with "holes."

If indeed an UberX driver gets into an accident and does have a commercial insurance policy, "then there's no problem, it's like being in a regular cab. But if they're operating their vehicle as a cab and it's not insured the way it should be, then there's likely going to be some challenges."

Uber declined to say how many Torontonians are working for them. The company's website invites drivers interested in earning extra cash to apply for an UberX position if they have a mid-size or full-size four-door vehicle, in excellent condition. Applicants must be "at least 21 years old and possess a personal license and personal auto insurance." The website also stipulates Uber "does not provide transportation or logistics services or function as a transportation carrier."

Toronto taxis are required to have commercial coverage and carry a minimum of \$2 million in liability insurance. An owner or driver has 10 days to notify the city if there is any change to the policy.

The city cited inadequate insurance that "might not provide essential coverage to drivers, passengers and others in the event of accidents," as one of the reasons it is seeking an injunction for Uber to stop its operations here. A court date is scheduled for May.

Karageorgos said the way things stand he would choose a licensed cab over an UberX vehicle.

"Because of how they're regulated through the municipality, there are some checks and balances in place that make me feel more comfortable," he says.

If an accident happens and the driver isn't properly insured, "I can go after the taxi company or the municipality that oversees them so there are other steps I can pursue."

As Uber spreads into Canada, it has hit other bumps in the road.

Two UberX drivers in Montreal had their cars impounded by police in recent weeks.

"They do have their cars now," said Jean-Nicolas Guillemette, general manager of Uber Montreal. "We will always help our partners, financially, psychologically."

Guillemette said the seizures came at the request of the Montreal Taxi Bureau, the city agency that oversees the taxi industry. He declined to say what fees or fines the drivers faced, referring calls to Montreal city officials.

"We have had tens of thousands of rides since we started operating in October 2014, and we have only had two cars seized. I don't see it as a threat for drivers," Guillemette said.

Calls to the city of Montreal were referred to the Montreal Taxi Bureau, which did not return calls.

Tammy Robinson, a spokeswoman for the city of Toronto, said the city does not have the power to impound cars for licensing bylaw infractions.

In December, two MPPs introduced separate private member's bills to revamp the Highway Traffic Act and stiffen penalties for those operating illegal taxis.

Liberal MPP John Fraser said he introduced the legislation due to an issue with illegal taxis in his hometown of Ottawa. His bill calls for tougher penalties including fines of up to \$30,000, demerit points and vehicle impoundment after a second offence.

"This bill is not about Uber," Fraser said, noting it happened to coincide with Uber's arrival in Ottawa. "The message of the bill is that public safety is paramount."

He added that new technology is a new reality. "If you are driving people for hire then there are certain rules that have to be followed," Fraser added.

February 3, 2015

Free Uber rides still flout bylaws, city's legal advisers say

By Elise Stolte

EDMONTON - The City of Edmonton's legal team has decided Uber's free rides still contravene local vehicle-for-hire bylaws because drivers are still being paid.

The decision means Edmonton will move ahead seeking a court injunction against the California-based technology and transportation company unless it decides to voluntarily withdraw completely from the Edmonton marketplace.

City councillors got an update from the legal team behind closed doors Tuesday.

"The city's position is that Uber is breaking the city's bylaw," said Coun. Michael Oshry, after the briefing.

That means the previous motion city council passed still stands. Council asked city staff to ask or get a court order to force Uber to withdraw until legislation enabling Uber-style ride-sharing is passed.

"We still have an obligation to protect the citizens and uphold the law," said Oshry. Council's safety and insurance concerns still stand, he said. "There's been no change."

City administrators are due back with the ride-sharing bylaw by Sept. 15 but could be earlier, said Coun. Andrew Knack. Staff will be consulting with Sidecar and Lyft as well, two other companies that compete with Uber by offering ride-sharing alternatives in other cities.

"I get the impression everyone is eager to work on that," Knack said. "I'm eager to get companies like Uber or Lyft operating in Edmonton."

Uber has been running its UberX service in Edmonton since Dec. 18. It uses a mobile app to allow customers to book a ride with a private individual using their own vehicle. The drivers do not have taxi licences and it's unclear if Uber's commercial insurance arrangement will provide adequate coverage in Canada.

Last Friday, the company announced all rides on the platform would be free as a gesture of its commitment to ride-sharing in the city. Drivers will be paid by the company.

Contacted late Tuesday, Uber spokesman Xavier Van Chau said Uber executives made the decision to offer free rides to co-operate with council. "It was in all earnesty a measure of goodwill," he said.

"A costly and protracted legal battle ... is not the outcome we'd hoped for in this."

Other cities have found temporary operating arrangements and Uber will be hoping for a similar solution, he said. "We're looking for a reasonable option.

"We haven't been notified by the city of an injunction so for now, we continue to operate free."

Edmonton Sun

February 2, 2015

Free Uber is 'creative' way around Edmonton's taxi bylaws: Opponent Coun. Michael Oshry

By Kevin Maimann

Uber is grinding Coun. Michael Oshry's gears as the ridesharing company continues to offer free rides.

Oshry said the Uber's continued operation -- flouting direction from council to cease operations until proper city bylaws are in place -- makes him less eager to work out regulations that could permit Uber to stay in Edmonton and charge for its service legally.

"We've been the first municipality in the country that said that we're willing to work with companies like Uber and Lyft to see how they could fit into our vehicle-for-hire bylaws. We were looking at changing it, we just asked them for their patience and to give us a chance to do that," Oshry said Monday.

"Now I'm not in a hurry to necessarily change the bylaw, because they're doing it for free. I was pretty disappointed that's the path (they took). I thought they would be more willing to co-operate."

Council passed a motion in January requiring Uber to stop charging for rides in Edmonton until it can draw up new legislation, which likely will not happen until fall.

While Oshry admits the taxi industry is "not working great" and competition is welcome, there must be due process.

"We've got to make sure that they're properly insured and that they've got their ducks in a row, which they don't have right now, before we can allow them to operate safely," he said.

"Once they've figured that part out, I think more competition is always better."

Coun. Andrew Knack said the company's free ride strategy is a "creative way" to maintain full compliance with existing bylaws.

"The key will really be to see how long this continues for," he said.

Knack, who has spoken out in the past about the difficulty of getting taxis at peak hours in Edmonton, said he is eager to make sure residents have more transportation options.

He just hopes Uber follows the existing rules until new ones are drafted.

He added it is important to leave the door open for other vehicle-for-hire companies that might want to enter the market. "We, as council, almost need to make sure we separate ourselves from one company's actions -- which may or may not be good -- versus making sure we have legislation to allow any company interested in competing in that particular market to have the opportunity to do so," Knack said.

A statement on Uber's website said the company, which lets participants offer rides to people for a fee using a smartphone app and their personal vehicles, is "encouraged" by the city's desire to work on a permanent regulatory framework.

An online petition to keep Uber operating in Edmonton has gathered more than 8,100 signatures.

Global Edmonton

January 31, 2015

Battle between Uber and the City heats up in Edmonton

By Caley Ramsay

EDMONTON — Uber Edmonton is once again in operation, offering free rides throughout the city, and at least one city councillor is not pleased with it.

"I was very disappointed," said Ward 5 Councillor Michael Oshry. "Council made it pretty clear that we asked them to stop operating in order to give us some time to revisit the bylaw."

After much opposition to the ride-sharing service by the taxi industry, city council passed a motion last Tuesday that put the brakes on Uber's operations in Edmonton. The city asked Uber to temporarily suspend its operations in Edmonton until council decides to change current regulations, or Uber complies with the vehicle-for-hire bylaw.

"For us it's more of a safety issue," said Oshry. "One of the big concerns for me is that the drivers are not insured."

"I'm not against competition. I'm not against them operating ... I think that's actually good. Our taxi industry is not great and some changes there are definitely needed, but we do have to make sure that they follow the rules that are in place."

Following the decision by city council, Uber launched an online petition on Wednesday. Uber said the petition was an attempt to show city council that its services are wanted by Edmontonians.

Then on Friday, Uber users received an email saying all rides on the platform would be free in Edmonton.

"We all agree that creating new ride-sharing regulations is in the best interest of helping ensure transportation alternatives in Edmonton," said Uber spokesperson Xavier Van Chau. "As we work with council to help make that a reality, and as a good faith measure in Edmonton, all rides on the platform will be free."

Oshry says as long as Uber drivers aren't accepting payment they're not breaking city bylaws. However, riders are warned to use the service at their own risk.

"If they're not charging they don't compete with our bylaws," Oshry explained. "If they're out driving now and they're not charging and people are happy to take the risk on the insurance and people are happy to take a ride, we shouldn't be in a hurry to change the bylaw."

If Uber begins charging users Oshry says the city will have no choice but to file an injunction against the company.

Uber launched in Edmonton in December. The ride-sharing service uses an app to match drivers with passengers. It operates as an alternative to taking a cab, public transit or driving yourself. The San Francisco-based company operates in more than 260 cities around the world, including Toronto and Ottawa.

Uber-Risky: Hamilton Will Fine, Report Ride-Share Drivers

Drivers risk \$5,000 fines

Staff on January 20, 2015

Read CBC's story "Drive for Uber and you risk fines and losing your insurance, city says."

Last week, 150 Edmonton cab drivers clogged downtown streets to protest Uber's use in the city.

The taxi industry wants Edmonton to regulate Uber as it does taxis so passenger safety can be ensured, says United Cabbie Association president Balraj Manhas. He's critical that Uber drivers don't have proper insurance and don't go through background checks.

Meanwhile, the City of Toronto is taking Uber to court, arguing that it's ignoring taxi licensing rules. At the same time, a private member's bill in the provincial legislature wants to ramp up fines against unlicensed Uber drivers. Uber counters that it's a tech firm, not a cab company, and so it doesn't have to pay attention to existing regulations.

A group of Boston taxi drivers are also suing the city for allowing Uber and Lyft, another ride-share service, to operate under different rules than taxis follow.

The lawsuit accuses the city of destroying the value of taxi medallions, the *Boston Globe* reports. It also challenges the state's proposal to regulate Uber and Lyft as "transportation network companies."

Two days before cab drivers filed the lawsuit, Uber agreed to share trip information with the city of Boston, which city officials say will help it make more effective planning and development decisions.

Ottawa keeps eye on Toronto's legal battle with Uber

OTTAWA CITIZEN [More from Ottawa Citizen](#)

Published on: November 18, 2014 Last Updated: November 18, 2014 5:10 PM EST

Darren Brown / Ottawa Citizen

Ottawa officials have ticketed at least 14 Uber drivers, but are so far waiting to see how legal action in Toronto unfolds before taking action against the ride service company in the national capital.

On Tuesday, the City of Toronto asked for a court injunction that would shut down Uber within city limits. Hours later, Ottawa city solicitor Rick O'Connor wrote in a memo to councillors that the city's legal department would "be closely monitoring the legal proceedings in Toronto as they develop, as well as any other actions related to UBER elsewhere in the Province."

The city expects more charges to be laid this week against drivers working for the Uber service, which has been operating in Ottawa since September, according to Sue Jones, Ottawa's general manager of emergency and protective services, the city department that regulates the taxi industry.

"We continue to compile evidence" against Uber, Jones told the Citizen.

Recently, regulators from across the country met in Toronto to talk about, among other things, the entrance of Uber into the highly regulated taxi industry. But Toronto, where Uber has been operating for three years, might be the first Canadian municipality to take legal action against the service.

Tracey Cook, Toronto's executive director of municipal licensing and standards, said Tuesday that Uber poses a "serious risk" to the public and its drivers because it isn't licensed or regulated in the same way that taxicabs are.

"The issue is that Uber is attempting an end run around the city's licensing requirements by ignoring them," according to an affidavit filed with the Ontario Superior Court.

"For this reason, a court order restraining Uber's operations in Toronto is necessary to prevent ongoing breaches of the law."

Uber said its service is already popular with Torontonians.

"It's disappointing that city bureaucrats have deployed expensive legal tactics to attempt to halt progress, limit consumer choice and force a broken transportation model on the public," said Uber spokesman Xavier Van Chau.

"We look forward to sitting down with the city and working to find a common-sense approach to regulations that promote public safety and create a permanent home for Uber in Toronto."

Uber launched in Toronto in 2012 with its taxi- and limousine-hailing apps, UberTaxi and UberBlack. In September, it expanded its service to include UberX, which allows people to use their commercial vehicles to ferry passengers around.

CBC News

Uber warning issued by Canada's insurance industry

CBC News Posted: Oct 17, 2014 8:49 PM MT Last Updated: Oct 17, 2014 8:49 PM MT

The app Uber has been trying to break into the Calgary market, but the City of Calgary has some concerns with some app-based taxi service providers. (Brian Burnett/CBC)

Canada's insurance industry is cautioning drivers who are thinking about signing up with ride-sharing services like Uber.

The company — which already operates in several Canadian cities — is currently recruiting drivers in Calgary.

It matches interested drivers with passengers through a mobile app.

The Insurance Bureau of Canada warns that their personal car insurance won't cover them if they're in a collision or a passenger is injured, so drivers must carry commercial insurance coverage.

Lauren Altman with Uber says their drivers must be licenced, pass a criminal background check and have their own insurance coverage on their vehicles.

"In addition to that, every ride on the UberX platform in Canada is backed by \$5 million of contingent auto liability insurance, so drivers and the community at large can rest assured knowing that ride-sharing partners are covered by our insurance policy in addition to any insurance coverage maintained by the driver," she said.

Must play by city rules, says mayor

Mayor Naheed Nenshi says Uber will have to conform with Calgary's taxi industry rules if it intends to operate here.

Uber and other ride-sharing apps were discussed at a city committee in August.

A report presented to the committee detailed a trial offered last year by Uber through a local limousine company.

However, the company wasn't big enough to handle the demand and ended up hiring sedans that weren't properly licensed through the city.

"Our investigation determined that there were unlicensed drivers, unlicensed vehicles," said Marc Halat, the city's chief livery officer, at the time.

"They were providing a service to Calgarians and they were put at risk."

Taxi app Uber's Canadian growth causing battles with cities, cab companies

By Steve Mertl | Daily Brew – Tue, 7 Oct, 2014

Technology has fractured all kinds of established businesses, from music and retail sales to the mail and news media, sweeping away whole sectors that are not able to adapt quickly enough.

Now an industry many of us love to hate is up against the wall, but the taxi business will not going down without a fight.

Uber, the San Francisco-based taxi app that's exploded into hundreds of cities worldwide in just five years is facing stiff resistance in Canada.

The City of Toronto is embroiled in a legal fight with the company while Vancouver has put off a decision on whether to permit it entry into the city's under-served cab market.

Meanwhile in Ottawa, Uber drivers have been targeted by an undercover sting operation and slapped with hefty fines.

We are witnessing what may be the opening rumbles of a tectonic shift that could fundamentally change the taxi business in the same way Amazon revolutionized consumer retailing and iTunes helped kill the neighbourhood record store.

What is Uber?

Uber (from the German word *über*, meaning over or above, adapted in hipster-speak to mean outstanding) launched their app-based service in 2009, connecting riders with registered drivers via their smartphones.

Customers download the Uber app, register with their credit card information, and request a ride. The app sends their location to the nearest Uber driver and sends back an estimated pick-up time. At the end of the ride, the credit card is automatically charged and no cash actually changes hands.

In the tradition of other successful IT startups, its growth has mushroomed and the company

how claims to have operations in more than 200 cities in some 45 countries. Estimates put its value at US\$17 billion.

Uber spokeswoman Arielle Goren told *Yahoo Canada News* the company offers three types of service:

- Uber Taxi, which operates through existing cab companies and drivers, giving them another avenue for reaching customers;
- Uber Black and Uber SUV, which essentially does the same with owners of limousines and large vehicles that are often sitting idle;
- UberX, which utilizes private vehicles whose drivers are not in the mainstream taxi industry.

Uber Black is operating successfully in Halifax and Uber Taxi in Montreal, said Goren. Uber has also found success in Toronto with its Uber Black and Uber Taxi services.

So what's the problem?

It's UberX that seems to be causing the largest kerfuffle, because the business model is an arrow aimed right at the heart of the old-line taxi business, namely the requirement of a valid taxi licence.

UberX is open to anyone with a driver's licence and a safe late-model vehicle, whether they own a cab or just want to make a little extra money.

"With Uber they can work on their own time, be their own boss," said Goren.

Uber performs a criminal background check and local police check on would-be drivers, as well as a lifetime check for sexual offences. Qualified drivers are covered by a \$5-million insurance policy when carrying passengers in their personal vehicles, she said.

The platform has worked in several cities including New York, said Goren, where UberX drivers are given licenses to operate.

"We're very successful there," she said, noting traditional taxi licences change hands for up to US\$1 million.

But there's no common template for making Uber work.

"What works in City X probably doesn't work in City Y," she said.

Certainly not in Canada. While Montreal seems to have accepted Uber Taxi, Toronto officials are resisting UberX's establishment in the country's biggest market.

"Based on the information currently available, the city is concerned that the UberX service may pose a serious safety risk to the public, including those who are signing on as drivers," Tracey Cook, executive director of Toronto's municipal licensing and standards office, told *Yahoo Canada News* via email.

"The city is concerned that the drivers do not hold a city-issued licence, which ensures the adequacy of the background screening, nor have the drivers taken the required training as mandated by the city, which would also include safety awareness training for the driver.

"The vehicles may not be equipped with the same security provisions as licensed taxis, such as cameras, nor have they undergone city mandated mechanical inspection and may be inadequately insured."

Cook cautioned that drivers working for UberX "may want to seek legal advice regarding their participation."

Already facing legal battles

City of Toronto spokeswoman Tammy Robinson added that Uber is already facing 30 charges, including operating an unlicensed limo service and unlicensed taxi brokerage. A trial date is still pending.

In Ottawa, bylaw officers dropped the hammer on two local drivers for operating unlicensed taxis, slapping them with \$650 fines once they accepted payment, *CBC News* reported.

Uber's Canadian spokeswoman Lauren Altmin condemned the tickets in a statement and said

the company would stand by the drivers.

"Costly sting operations that seek to protect a monopoly that has remained unchanged for decades only hurts the consumers that have been asking for expanded transportation choices," said the statement, according to *CBC News*.

Uber got some apparent high-level support Saturday night when Foreign Affairs Minister John Baird tweeted about waiting vainly for an ordered cab for 75 minute. It never showed up despite five calls, he said.

Battle beginning in Vancouver

Vancouver is not at war with Uber yet, but the opening moves have been made. Last week, city council put off a decision on how to deal with the company following hearings that considered plans to expand conventional taxi services and heard testimony from an Uber executive.

Vancouver has the lowest number of cabs per capita in Canada, and it's notoriously difficult to get one if you're downtown on a weekend evening or during major sporting events.

"There's a general agreement that there should be expansion and innovation," Coun. Geoff Meggs of the governing Vision Vancouver civic party, told *Yahoo Canada News*. "I just think we need to do it in a balanced way so that we try to protect what we've already got and work from there."

Meggs rejects Uber supporters who suggest opposition to the company's business model is about protecting entrenched cab companies, not ensuring the safety of riders.

"I hear that charge quite a bit and I think that people need to look a little deeper and see what the tradeoffs are there," said Meggs.

Taxi operators are subject to provincial and municipal regulations designed to protect both drivers and riders. Drivers are also trained to aid disabled riders in accessible vehicles.

Existing cab companies accept that change is coming, said Meggs, but Uber's actual plans aren't clear, even though it's apparently hiring staff already.

"Are they going to want to do what they've done in other cities and simply launch outside the usual processes, or are they going to come through the same doors everybody else goes through?" he wondered. "We just don't know."

Meggs wouldn't say if Vancouver would unleash its bylaw-enforcement machinery if UberX rolls out in the city.

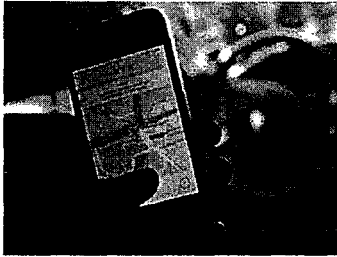
"Nobody's going to do anything unless Uber starts up in some way that's outside the current framework. We'll see if that's what they do."

Ottawa Citizen

Two Uber drivers charged over the weekend

CARYS MILLS

Published on: October 6, 2014 Last Updated: October 6, 2014 3:29 PM EDT



Uber, the app company that connects drivers with customers, was already in more than 200 other cities when it started up in Ottawa on Wednesday.

Ottawa Citizen

The dispute between the city and ride-sharing company Uber escalated over the weekend, when two drivers were charged as part of an undercover investigation.

The city intends to keep investigating after both drivers were charged Saturday with operating a cab without a taxi driver licence and says more bylaw charges are possible.

The drivers face fines of \$650 each after undercover city employees booked rides through Uber's app, which launched in Ottawa last week, said Susan Jones, Ottawa's general manager of emergency and protective services. "Enforcement is underway as we speak and will continue to be," Jones said Sunday.

Since Uber made it known last month that it was eyeing the capital, the city has maintained the company will be treated as a cab operation, requiring it to obtain a broker's licence, hire licensed cab drivers and use vehicles licensed as taxis. But Uber disputes that, saying it's a technology company, not a taxi firm.

Uber spokeswoman Lauren Altmin, who was aware of one charge Sunday afternoon, said the company will support the drivers financially. The company is still determining whether it will ask the drivers to go to court to fight the fines first, she said.

"Costly sting operations that seek to protect a monopoly that has remained unchanged for decades only hurts the consumers that have been asking for expanded transportation choices," she said. "We don't believe Ottawa citizens should be threatened or penalized for providing a safe and reliable ride to their fellow Ottawans."

Uber was already in more than 200 other cities when it started up with free promotional rides in Ottawa last Wednesday. At the time, Jones said the city would start enforcing taxi rules when the free rides ended, since regulations only apply when a fare is charged.

But she said Sunday that enforcement started earlier because Uber was charging for rides costing more than \$20. Uber has since extended the timeline for free rides costing less than \$20 "until further notice."

Altmin said the extension was planned before the charges.

More charges are possible against the two already charged, other drivers and the company, Jones said. She couldn't specify the amount of city resources going toward policing Uber.

"Enforcement of illegal taxi cabs is just a regular part of our program," she said. "So we're just deploying resources from within the bylaw area."

Two charges in one day is unusual, she said, adding illegal taxis aren't usually in the open. "This probably represents the first time we've dealt with a company that's actually publicly advertised that they were going to offer this business," Jones said.

The names of the drivers won't be released until the charges are filed in court, she said.

Mayor Jim Watson is among the municipal politicians who have backed city staff, saying Uber needs to follow taxi regulations. But Uber got some support from Foreign Affairs Minister John Baird over the weekend.

"75 minutes. 5 calls. No cab. Tonight I see the need for more competition with @Uber // @Uber_Ottawa #ottcity," Baird tweeted on Saturday night.

Spokesman Rick Roth said Baird, Ottawa West-Nepean member of Parliament, wasn't available to comment on Sunday. "He hasn't used Uber yet – but probably would have come in handy last night," Roth said in an email.

Ride-sharing service Uber could face insurance liability issues

The operators of the service have been trying to break into the Vancouver market for a while

Simon Druker October 3, 2014 3:34 pm

VANCOUVER (NEWS1130) – Ride-sharing service Uber continues to try to crack into the Metro Vancouver market.

But how difficult is it to get the insurance?

Getting the proper insurance hinges on proper permits and licenses, which is up to individual cities and the Passenger Transportation Board.

Adam Grossman with ICBC says operating without that insurance could be costly for drivers. "An owner would potentially forfeit any insurance benefits for their own injuries and costs as well and be open to potential action from other parties as well."

But injury lawyer Mark Lyons says all you need is the proper insurance to join.

"I don't think it makes any difference at all. Uber ensures that they're adequately insured and that's all you need. You don't need anything more than that. This is a very intelligently designed business. These are not fly-by-night people that are driving for Uber."

A San Francisco Uber driver was charged two weeks ago after apparently attacking one of his passengers with a hammer after a disagreement over the route taken.

Uber's Canadian launch of ride-sharing service greeted with controversy

Kristine Oworm | September 8, 2014 | Last Updated: Sep 8 5:50 PM ET

More from Kristine Oworm | @KristineOworm

Uber Technologies Inc. introduced its controversial ride-sharing business to Canada with launches in Toronto and Mississauga on Monday, but the City of Toronto said the UberX service "may pose a serious safety risk to the public," joining a growing chorus of opposition to the company.

Uber already operates a cab-hailing service in Toronto, Mississauga, Montreal and Halifax, but this is the first time it has offered its UberX platform in Canada. The difference is that the cab-hailing service partners with municipally licensed taxi and limousine drivers while UberX employs anyone who's over 21, passes a background check and has an insured car that's less than 10 years old and in good working condition. Both services can be hailed using Uber's mobile app.

UberX was launched with great fanfare, with the first ride being offered to Toronto Maple Leafs star forward Phil Kessel in a Tesla Model S.

However, the City of Toronto has "significant" concerns that UberX contravenes city bylaws, said Tracey Cook, executive director of Municipal Licensing and Standards.

"The city is concerned that the UberX service may pose a serious safety risk to the public, including those who are signing on as drivers," Ms. Cook said in an email.

She added that the drivers don't hold city-issued licenses, haven't taken city-mandated training, haven't put their cars through a city-mandated mechanical inspection, may lack safety equipment like cameras and may be inadequately insured.

"We have engaged the expertise of the city's legal department, and are reviewing every legal option available to us to address any potential breaches of law, with the objective of ensuring the protection of the public," she wrote.

However, Uber said its drivers undergo more rigorous background checks than Toronto taxi drivers and have to prove they have insurance coverage.

"This is a more reliable, safer option than what currently exists on the road," Ian Black, general manager for Toronto Uber, said in an interview.

"We're seeing former taxi drivers, we're seeing supply teachers, people with part-time work or even retirees — anybody who wants to use their vehicle to earn money," he added.

Mr. Black said UberX is about 40% cheaper than a Toronto taxi. For example, a ride from the financial district to Pearson airport would cost \$33 with UberX versus \$60 with a regular taxi service.

"Taxi brokerages extract huge amounts of money from the drivers," he said. Uber charges its drivers 20% of each fare.

Needless to say, traditional taxi drivers aren't happy about the service's arrival in Canada, saying it flouts bylaws and licensing regulations.

Cab drivers don't mind the existing Uber service because it's another way for them to find customers, potentially increasing their daily income, said Sajid Mughal, president of the iTaxiworkers Association, which represents Ontario cab drivers.

But the launch of UberX will change that, he added.

"Right now, the cab drivers are making money with Uber and they're not realizing they'll be ditched tomorrow and they'll be out of business tomorrow," Mr. Mughal said in an interview.

"It's going to kill the cab industry."

Hailo, a competing app that connects customers with licensed taxi drivers in Toronto and several other cities worldwide, said UberX drivers won't have the necessary commercial insurance to cover passengers in case of an accident.

"The research that we've done illustrates very clearly that drivers that are working in a ride-share situation do not have primary commercial insurance, which puts them at risk and the passengers at risk," Justin Raymond, co-president of Hailo North America, said in an interview.

But Uber said it has contingent coverage in case a driver's personal insurance doesn't apply in the event of an accident.

Uber tends to raise controversy wherever it goes. Germany recently banned the service nationwide, arguing that the use of unregistered drivers constitutes unfair competition.

And the service has been the subject of major demonstrations in cities around Europe, including London, Paris and Berlin.

In the United States, Uber has been accused of sabotage by competitors and faces regional bans in places like Virginia and Pittsburgh. It has also raised the ire of customers by its use of surge pricing, or hiking prices when demand is high.

The controversy hasn't stopped Uber from attracting deep-pocketed backers. The company recently raised US\$1.2-billion from investors including BlackRock Inc. and Google Ventures, and is estimated to be worth at least US\$17-billion.

Mr. Black said Uber expects to continue its expansion in Canada, and is "actively looking" at launching in other cities, including Vancouver, Edmonton, Calgary and Ottawa.

Calgary Herald

Uber used unlicensed cars, drivers in Calgary trial, city alleges

BY AMANDA STEPHENSON, CALGARY HERALD AUGUST 13, 2014

CALGARY

Drivers partnering with sedan-hailing app Uber for a Calgary trial last year had insufficient insurance, lacked Alberta Drivers Licence qualifications, and in one case, even had an outstanding police warrant, city officials allege.

But a spokesperson for Uber said those infractions are “ancient history” that shouldn’t get in the way of the company’s quest to bring innovative transportation options to Calgarians.

In a report to be presented to the Taxi and Limousine Advisory Committee Friday, officials warn of safety risks associated with the use of technologies like Uber. They report says that while taxi-hailing apps have the potential to address peak period cab shortages, they operate under an unregulated business model that isn’t held to the same standards as the city’s existing taxi system.

Uber, a San Francisco-based company, has been trying to break into the Calgary market for months. Last November, it offered a free weekend trial of its services and engaged a licensed local limousine service to provide the cars and drivers.

But City of Calgary chief livery officer Marc Halat said that company, Executive Limousine, was not large enough to handle such a contract and went out and rented 15 black cars from a local rental agency to fill the gap. In addition, Halat said the company hired family members and others “off the street” to drive for them for the weekend. None of these drivers or cars were properly licensed or registered with Livery Transport Services.

“It’s not entirely Uber’s fault that they got themselves in that situation,” Halat said in an interview. “But had they come to my office and played by the procedural process, I could have said, ‘you’re going to need a bigger provider.’ Uber never came.”

As a result of the infractions, the city revoked Executive Limousine’s license. The company is no longer operating.

Halat said that Uber is still welcome in Calgary as long as it plays by Calgary's rules.

"All those basic fundamentals that make up our regulatory scheme here to protect you as a citizen, we're not going to throw them out. Uber is welcome to come to the city of Calgary, but we're not going to change what we've built to accommodate Uber," he said.

On Wednesday, Uber general manager Jeff Weshler fired back at the city, saying he was "shocked to see the absence of tangible research that went into preparing this report."

Weshler said Uber always partners with licensed drivers who are charged with conducting themselves in accordance with city bylaws. He didn't deny that infractions took place during the November trial weekend, but suggested the city is making too much of them.

"This is one incident which is, quite honestly, ancient history at this point," Weshler said. "Really, the focus should be about empowering consumer choice and driving innovation for Calgarians."

Uber has been embraced by consumers around the globe who are frustrated with the taxi service provided currently in their cities, Weshler said. It makes no sense to suggest Uber needs to work within the City of Calgary's existing livery regulatory system, he said, because that system is obviously not working.

"Putting an app around a broken framework doesn't necessarily solve the issues residents are facing," he said.

Uber has stated the roadblock preventing it from coming to Calgary is a regulation requiring a minimum \$78.34 charge for any sedan or limousine trip. So far, the city has been unwilling to those regulations out of fear it might create a "shadow" service that hurts the supply-limited, highly controlled cab sector.

Halat said, however, that a change to the minimum sedan hire rate is not off the table, though it will require significant engagement with the local taxi industry.

Weshler said Uber remains optimistic, adding he will be attending Friday's Taxi and Limousine Advisory Committee meeting.

"We're in active dialogue with the city and our job going forward is advancing the discussion about how our technology has helped people in hundreds of cities around the world," he said.

Uber operates in Toronto, Montreal and 41 countries around the world. It has also incited the ire of established cab companies worldwide, because it threatens to undercut prices or steal customers from regulated systems that aim to balance taxi supply and demand.





Media – United States.

- a. Mass live – Uber has Worcester councilors, taxi companies calling for control.
- b. ABC San Antonio – Uber delivers ultimatum to city leaders.
- c. Wired - Robot Cars Won't Rescue Uber From Its Clash With Drivers.
- d. ABC Los Angeles – Uber Drivers Accused of Sexually Assaulting Woman Picked Up From Mar Vista.
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- hh. ValleyWag – The weekend Uber tried to rip everyone off
- ii. NBC Bay Area – Uber customer claims driver assaulted him



Mass Live

February 4, 2015

Uber has Worcester councilors, taxi companies calling for control

By Lindsay Corcoran

WORCESTER - As Worcester taxi companies call foul over ride-sharing app Uber operating outside the current city regulations, City Councilors are calling for new rules to ensure safety and accountability.

Uber, the ride-sharing service that connects passengers to drivers of vehicles for hire through a smartphone app that expanded to Worcester last fall, does not currently follow regulations the city has on taxi and livery drivers.

"We spent years and years on what can and can not be a vehicle for hire and who can drive," said William Clark, vice president of Worcester Yellow Cab. "If we allow Uber to come in and they don't follow the rules, then all that energy was a waste of time."

Vice President of Red Cab Maggie Donovan took issue with the fact that Uber doesn't pay any of the fees, including permit, medallion and license fees, that the city requires the taxi companies to pay.

Donovan also raised a variety of safety issues, including citing a recent incident in Boston where a woman was allegedly kidnapped and assaulted by an Uber driver.

"Everyone knows what a cab looks like, but no one knows what an Uber looks like," Donovan said.

She said she went through the process to become an Uber driver, just to see what was required, and said she only had to show a license, a copy of her registration and provide a checking account number.

"No one vets an Uber driver," Donovan noted. "There's nothing in place to make sure they have a clean driving history."

"I'm not one to protect companies from competition, but I am one for safety and accountability," said City Councilor George Russell. "You've got a wild wild west out there where anybody with a car and license can go online and pick someone up. The city owes to residents and college students the same oversight we have with a livery service."

City Councilor Konstantina Lukes asked that the city produce a report on Uber within 30 days examining what regulations could be put in place to oversee it. She noted specific concerns with fee structure, insurance coverage and safety.

While City Councilor Morris Bergman agreed with the need to regulate Uber, he noted it may be a challenge to do so.

"Having looked at Uber, they've skirted a lot of regulations in a lot of communities," Bergman said. "We need to be having a different conversation about what regulations we can put in place rather than if they're violating current regulations."

ABC San Antonio

February 4, 2015

Uber delivers ultimatum to city leaders

By Cory Smith

SAN ANTONIO - Officials with the ride-share company Uber sent a letter to San Antonio City Council members Wednesday threatening to abandon operations in San Antonio if new regulations go into effect next month.

"We have spent the past month examining how these pending regulations will impact our ability to do business in San Antonio when they are implemented on March 1. After much consideration, it is clear that these regulations will cripple Uber's ability to serve drivers and riders in San Antonio. A vote in support of these regulations was a vote against ride-sharing, and if the rules remain unchanged, Uber will have no choice but to leave San Antonio," the letter said.

Uber also notified its local drivers the of the potential move.

"If this ordinance goes into effect on March 1, we will have no choice but to leave town," said Uber San Antonio General Manager Henry Carr.

The City Council approved a host of policies regulating transportation network companies like Uber and Lyft in December, after months of heated debated between the companies and officials within the local cab and limo industry.

The companies threatened to leave San Antonio claiming the policies were some of the most strict in the state. Those policies include thorough, 10-fingerprint background checks, strict insurance requirements, and annual operating fees.

"We are doing everything we can to repeal this ordinance and preserve ride-sharing in San Antonio," Carr said. "The San Antonio City Council has a historic opportunity to join Austin and more than 20 other U.S. cities and states that have created sensible regulatory frameworks for ride-sharing.

Only two council members voted in opposition of the policies: District 4 Councilman Rey Saldana and District 8 Councilman Ron Nirenberg.

In a statement to KSAT 12, Nirenberg said, "San Antonio is a city that will lead in technology, innovation, and emerging markets. I look forward to continuing to work with my colleagues and the industry so that we encourage a safe, competitive, and user-friendly private transportation system."

New York Post

February 3, 2015

Celebrity Private Eye Exposes Uber Drivers in Undercover Probe

By Shawn Cohen

An undercover investigation of the Uber car-hailing service caught its drivers sexually harassing female passengers and blatantly violating various city regulations, according to a report released Tuesday by celebrity private eye Bo Dietl.

One alleged harassment incident involved a lecherous Uber driver telling a rider “that the people in Bangladesh would love her because she is attractive,” according to the report, which was commissioned by the Taxicab Service Association, an industry group opposed to Uber.

Other alleged wrongdoing included drivers cutting illegal side deals with passengers for future trips and making a curbside “hail” pickup — which can be made legally only by yellow cabs — near Union Square.

One driver even claimed a fellow hack once took a drunk woman on a \$250, three-hour trip that should not have taken more than 10 minutes — and ended only because the woman woke up, the report says.

The TLC said Uber on Friday coughed up its electronic trip records — which the TLC plans to check for any violations of city law.

A spokesman for Uber said the company hoped the TLC would “earnestly and closely safeguard” the information, and said the claims in Dietl’s report “have no merit.”

Wired

February 3, 2015

Robot Cars Won't Rescue Uber From Its Clash With Drivers

By Marcus Wohlsen

Sometimes, judges can be vague and hard to read. But this was not one of those times.

"The idea that Uber is simply a software platform, I don't find that a very persuasive argument," US District Judge Edward Chen said during a court hearing Friday, according to Bloomberg. The case pits Uber drivers (who seek to be officially recognized as employees) against the hugely popular on-demand rides company (which argues it is a software company that doesn't employ people).

In its suit, the plaintiffs presented internal emails from Uber management to drivers that, distilled to their essence, sounded a lot like "You're fired!" But Uber argued that drivers are in fact customers who pay the company money to use its app. "We make our money from licensing our software," Uber attorney Robert Hendricks told the court. And in that context, drivers are not Uber's employees. They're its customers.

The judge didn't buy that argument, and it seems unlikely Uber will escape from this conflict unscathed. That is, unless it turns out Uber doesn't need drivers at all. It so happens that Uber took a big step yesterday toward a driverless future. But the dream of perfectly automated transportation won't come true soon enough to save it from having to reckon with the demands of its human workforce.

Not a Taxi Company

For Uber, the stakes are high (as they are for Uber's chief rival, Lyft, which is facing a similar suit). Since the start, Uber has always faced down regulators claiming it was running an illegal taxi service by claiming it wasn't a transportation company at all. It was a tech company that was facilitating an online marketplace to connect drivers with riders. As such, it wasn't anything like a taxi company that owned a fleet of cars and hired drivers to drive them. It was a new thing, and the law needed to catch up.

Some states and cities have worked to accommodate Uber and similar services. But with a federal judge now casting a doubtful eye on a basic premise of its business, Uber is facing a potentially serious setback. What to do? Well, this is Silicon Valley. When you have a problem, the answer is always obvious: You fix it with technology.

By last evening, Uber's struggles in court were a distant memory after the company announced it was partnering with Carnegie Mellon University in Pittsburgh, Pennsylvania, to open a research center focused on self-driving cars. That news was quickly followed by the scoop (later

disputed) that leading self-driving car developer Google was seeking to launch a ride service in competition with Uber. But Uber's autonomous vehicle Manhattan Project doesn't just set up a juicy corporate rivalry. It also offers a way out of its pesky driver problem.

More Uncertainty

Unlike Lyft, Uber never engaged in much pretense that it was building some kind of community around its product. Uber was in business, its drivers were in business, and passengers didn't want to make new friends. They wanted a ride. In that light, it's kind of hard to accuse Uber of betraying anyone's trust by seeking to replace human drivers with cars that don't need time off or benefits or wages. It's an unabashedly capitalist enterprise with billions of dollars in capital from investors who expect serious returns.

That said, Uber has taken some steps following a streak of bad publicity to present a kinder, gentler image. In a blog post announcing \$1.2 billion in new funding, Uber CEO Travis Kalanick said the company would generate more than 1 million jobs globally in 2015—a promise that could help open doors in cities otherwise reluctant to embrace Uber as it aggressively expands around the world.

While that promise might start to look a little thin next to a major push for self-driving cars, an all-robot four-wheeled fleet is still years away—at best. In the meantime, the number of people working jobs providing app-based on-demand services—Uber driver, Instacart shopper, Postmates courier—is only likely to grow. And that will mean more conflict and uncertainty as workers, companies, governments, and consumers all stumble through the process of figuring out what exactly is new about these new marketplaces and what just looks different because it's happening on a smartphone.

A More Creative Safety Net

One possible solution is to take the anxiety out of both sides, workers and companies, by having the government take on more of the burden of providing the kinds of benefits that, in the US at least, are more typically shouldered by employers.

"The broader context here is for us to start thinking about a safety net that is creative, that is not contingent on employment by a large company," says Arun Sundarajan, a professor at New York University's Stern School of Business.

That might be a good idea not just for the so-called "sharing economy" but the broader US economy as well. But if I had to bet on which would come first, widespread use of self-driving cars or a broad new entitlement program passed by Congress, I'd pick the cars hands-down. Uber released a survey recently that found most of its drivers were happy, but enough of them are unhappy enough to sue. At least until robot cars hit the roads en masse, Uber will have to figure out a way to keep the drivers on which its business depends. Or else the courts will.

ABC Los Angeles

February 2, 2015

UBER DRIVER ACCUSED OF SEXUALLY ASSAULTING WOMAN PICKED UP FROM MAR VISTA

By Leanne Suter

MAR VISTA, LOS ANGELES (KABC) --

An off-duty Uber driver is accused of sexually assaulting a woman during her ride from the Mar Vista neighborhood of Los Angeles before dropping her off, Los Angeles police said.

Early Sunday morning, a woman in her 20s had a friend request an Uber for her. During the call, the Uber driver told her to stand at Palms Boulevard and Beethoven Street.

Another Uber driver who was not working at the time pulled up and offered her a ride, which she accepted. The male driver then allegedly sexually assaulted her and dropped her off.

"He said, 'I'm actually not working as an Uber driver right now, but I am an Uber driver,'" said LAPD Det. Kimberly Porter. "She got in the front seat. He then took her to a location where he did sexually assault her."

Authorities have identified the suspect, who is cooperating. No arrests have been made.

Uber, which operates via an app on your cell phone, confirms the man is a driver with the company but says he was not working Saturday.

"Our thoughts are with the victim of this terrible incident. We immediately reached out to LAPD and are working closely with them to provide any assistance we can. The driver in question has been removed from the platform while we gather the facts," said Eva Behrend, a spokesman for Uber.

Uber reminds customers they have protocols in place to help ensure their safety and to make sure they are getting the right Uber driver, including sending a picture of the driver and license plate number of the car. The company and police also encourage riders to share their route and estimated arrival time.

Investigators say the victim in this case did not have a cell phone with her.

Bidness Etc

February 1, 2015

Emails Expose Ruthless Uber Corporate Culture

By Larry Darrell

Ride-sharing service, Uber, which managed a \$40 billion valuation last year, has been hit by a number of class-action lawsuits. Uber drivers want the company to stop treating them like contractual workers and more like employees.

Uber was forced to reveal a number of email conversations during the course of the lawsuit, which shed interesting light on the company's business model. The emails revealed that Uber managers often acted like ruthless bosses and used colorful language more often than not while firing employees.

Drivers often have to deal with the attitude of these Uber managers because their livelihood depends on it. However, the story has two sides. Uber managers often get frustrated because of the quality of drivers that have been hired to fuel the company's growth. Some drivers misbehave with customers, drive under the influence, and participate in a litany of other inappropriate behavior.

If the case is decided in favor of Uber drivers, it might force the company to do a lot more than be nice to its drivers. According to Uber drivers, they spend up to \$10,000 each year from their own pockets in lieu of operating expenses. The courts may force Uber to pay these expenses as well as other benefits that companies pay their employees. This would only add to Uber's woes; the company has been under pressure due to all sorts of problems going in to 2015.

Monday, December 29, 2014

Taxi Companies Feel a Comeback Is Coming as Uber Faces Negative Publicity

SEATTLE (The Seattle Times/TNS) - The negative news raining down on ridesharing company Uber as Portland, San Francisco and Los Angeles County sue the company puts a smile on the face of Seattle Yellow Cab General Manager Amin Shifow.

Seattle taxi-industry revenue took a 40 percent dive during the first year the San Francisco-based company, along with competitors Lyft and Sidecar, used instantly popular smartphone apps to dispatch hundreds of unlimited and unregulated ride services.

So he doesn't mind seeing the startup, which a recent round of funding has valued at more than \$40 billion, squirm a little. But Shifow is also smiling because he thinks the backlash against Uber is happening at just the right time.

Yellow Cab's 2-month-old ride-request app — a sleeker upgrade from the app it rushed to release about a year ago — is humming along without glitches, Shifow said. And, he says, thanks to a switch to GPS-dictated driver assignments, average response times within the city have almost been cut in half.

Advertising for the service is showing up on cabs. "Tap the App," the signs read.

The free application for iPhone and Android phones incorporates features long available on Uber, Lyft and Sidecar apps: It automatically locates where a passenger is requesting a ride from, allows passengers to track on a map how close their driver is to arriving and soon will allow riders to pay through the app, as well. He said San Francisco taxi customers are about to get the same service to pay their fares. Other ride services, such as Eastside for Hire, have been using phone-dispatching apps such as Curb, which has all of those features, for more than a year now.

In other words, the differences between taxis and services like UberX — Uber's nonluxury passenger service — are diminishing, and Shifow wants to see some of the regulatory differences between them narrow, as well.

Even as he calls his competitors "bullies," Shifow admits Seattle Yellow Cab wouldn't be resurrecting itself with much-needed upgrades had such app-based ride services as Uber and Lyft not come to town in spring 2013.

He says Yellow Cab's lack of motivation to modernize itself was not a money problem — it was a competition problem.

"In all honesty, the taxi industry was stagnant for a while: They had it good, there was no competition, and when you have no competition, there's nothing for you to worry about," said

Shifow. "But the competition came in at the same time, and it came in hard with unlicensed, unlimited cabs all of a sudden hitting the road — that was tough."

Uber Faces Class-Action Lawsuit Over \$1 'Safe Rides Fee'

Uber faces a new class-action lawsuit from riders over its \$1 Safe Rides Fee. (Rafiq Maqbool/AP)

Uber has been hit with class-action lawsuits from cab companies and Uber's own drivers, but the newest group to enter the fray is Uber passengers.

Two Uber riders filed a class-action lawsuit against the car-service app company this week, claiming they should not have had to pay the \$1 "Safe Rides Fee" Uber tacks on to each ride because the company's background checks were misleadingly represented as "industry leading."

The lawsuit, filed Tuesday in federal court in San Francisco, is the third in the last month filed on behalf of Uber's passengers. An Uber customer filed a class-action lawsuit on Dec. 3 over a \$4 fee charged to passengers going to San Francisco International Airport to reimburse drivers. The lawsuit says the company pocketed the fee. A similar lawsuit filed in late November claims riders were overcharged for a fee at Boston's Logan International Airport.

The most recent lawsuit seeks restitution for every \$1 Safe Rides Fee charged to every U.S. Uber customer — which, given that Uber gave 140 million rides globally this year, would be a hefty sum.

"We don't expect to get 100 cents on the dollar — that would be shooting the moon," said Nicholas Coulson, one of the attorneys filing the lawsuit. "But we do aim to get the greatest possible restitution."

Uber added the \$1 Safe Rides Fee in April to help pay for its safety program — driver training, background checks and vehicle inspections. Until recently, Uber told riders its background checks are "industry leading" and "often more rigorous than what it takes to become a taxi driver," but the complaint says those promises are false and misleading because drivers do not have to be fingerprinted.

If that argument sounds familiar, it's because the district attorneys of San Francisco and Los Angeles made the same point when they sued Uber earlier this month. To become an Uber driver, you only have to submit your name and identification to background checks. You don't have to prove that the identity is actually yours, which would be done through fingerprinting or other biometric identification. Someone with a criminal record could, in theory, become an Uber driver using the identity of a sibling or a friend with a clean history.

"At the end of the day, you cannot conduct the most comprehensive background check possible if the information you have obtained has nothing to do with the person that is signing on with you to be a driver," San Francisco District Attorney George Gascon said when that lawsuit was filed. "It is completely worthless."

Coulson said the class-action lawsuit is focused more on getting restitution for riders, while the district attorneys' lawsuit prioritizes making Uber change its safety marketing language.

When prosecutors sued Uber, they also announced a settlement with Lyft, a rival car-service app, over similar language about their background checks. Lyft, like Uber, charges a \$1 fee — the company calls it a "Trust and Safety Fee" — and does not require fingerprinting for drivers. When Lyft settled with prosecutors, it agreed to change its language about its background checks. Coulson said that he and other attorneys have not ruled out filing a similar lawsuit against Lyft for its safety fee.

It's unclear whether class-action lawsuits like this one will go the distance. An Uber driver lawsuit is continuing along the legal process, but a similar one filed on behalf of Lyft drivers stalled in August. Uber's terms of service for riders include an arbitration clause that could prevent riders from taking the company to court. But a judge in the Uber driver lawsuit ruled in June to allow drivers to opt out of their mandatory arbitration clause. An Uber spokeswoman was not able to give an immediate comment about the lawsuit. The complaint can be found here.

BY TRIBUNE NEWS SERVICE

Days After Suing Uber, Portland Drops Lawsuit

DECEMBER 19, 2014

By James Queally

Just 10 days after the city of Portland, Ore., sued ride-sharing giant Uber, saying it was illegally operating in the city, the San Francisco company has agreed to cease operations there until the spring.

In a statement released Thursday, Uber said it will cease all rides in Portland on Dec. 21 to give city officials time to draft proper regulations for all private for-hire transportation services in the city.

In a separate statement, Portland Mayor Charlie Hales said he has convened a task force that will create safety regulations for all ride services, including traditional taxi cabs as well as ride-sharing companies such as Uber and Lyft.

The task force is expected to bring its findings before Portland's City Council on April 9, Hales said.

"Uber is dedicated to curating and continuing a valuable and constructive relationship with Portland's lawmakers, working to create a regulatory framework that works for everyone, not just us," the company said in its statement.

Portland filed a suit Dec. 8 to block Uber from operating in the city, alleging the ride-sharing service was not complying with the city's permit and insurance guidelines for taxi services. Portland's transportation director also issued a cease-and-desist letter to Uber that day.

Dana Haynes, a spokesman for Mayor Hales, told the Los Angeles Times that the city has decided to drop its suit in response to Uber's decision to suspend rides.

"The mayor has been fairly confident that we were going to get on the same page," said Haynes, adding that the city and Uber officials have been in contact almost daily in recent weeks.

Haynes said the mayor's task force will set rules for pricing, insurance, safety inspections and driver background checks for city taxis, Uber, Lyft and other ride-sharing services before the April 9 City Council meeting.

Portland is one of the only cities in Oregon that regulates its own taxi industry, according to Haynes, who said the industry is privatized in most other parts of the state.

The Portland lawsuit marked the latest in a long line of setbacks for Uber, which ceased operations in Nevada last month after a county court there filed a temporary injunction against the company.

The city of Toronto sought a court order to suspend Uber's operations in November.

And this month, district attorneys in San Francisco and Los Angeles filed lawsuits against Uber, alleging that the company has misled consumers about the extent of the background checks it conducts on drivers. Uber is continuing to operate in both cities while litigation proceeds.

Times staff writer Tracy Lien contributed to this report.

NEW YORK DAILY NEWS

After a spate of bad press for Uber, some turn back to traditional taxicabs

The new app drew complaints about high prices and the bad behavior of drivers, and it's been banned in some countries.

BY JUSTIN ROCKET SILVERMAN

Wednesday, December 17, 2014, 2:00 AM

Meet the Uber haters.

The renegade taxi service has been a worldwide punching bag all year — thanks to prices that become astronomical during peak times, a company official who suggested investigating reporters, drivers who have sexually harassed and allegedly raped customers, and claims of bizarre routes meant to jack up prices — and more and more New Yorkers are hitting delete.

“They made an app that works very well, but the human beings behind it are not acting with integrity,” said Jennifer Dziura, a 36-year-old Brooklynite who used Uber frequently last year while pregnant. “I stopped using it when I read about (drivers) assaulting and insulting female passengers.”

The company got its latest round of bad press this week when it jacked up its base fare to \$82 amid the hostage siege at a Sydney chocolate shop. (It later offered refunds to customers who paid the surge rate.)

That followed a drip-drip-drip of bad news for Uber, which is currently banned in Spain and Thailand — and New Delhi, where a woman was allegedly raped by a driver.

Earlier this year, an Uber customer in London said a driver offered to perform oral sex on her. Uber's response? The company sent her a 20-pound credit.

Another Uber driver reportedly took a Hoboken woman on a zig-zag ride around Manhattan after she fell asleep in the back of his car. Her credit card was automatically charged nearly \$300 at the end of the trip. (After repeated complaints her fare was lowered to \$119.)

No wonder #ubershame has become a popular hashtag on Twitter.

Hearing about the Sydney price gouging brought back bad flashbacks for some New York customers.

"The surge pricing is reprehensible," said Kristine Rakowsky, 33, an events producer from Brooklyn. "They have a take-no-prisoners attitude about charging people \$300 to go 5 miles on a snowy night."

Rakowsky was a regular Uber user, but started noticing how expensive it was. After one \$40 ride across the East River, she got mad enough to complain.

Good luck with that.

"It was basically like dealing with Time Warner Cable," she recalls. "Just this huge time suck."

The company gave her a credit, but by then she was so frustrated that she joined the ranks of the Uberefugees, even buying her own car.

Still, Uber is growing in popularity and plenty of riders in New York and around the world use it regularly without complaint, thanks to an easy-to-use app that connects them to cars faster and often cheaper than a taxi (except when it rains, snows or there's a hostage crisis!). In June, Uber was an \$18 billion company; now it's valued at \$40 billion.

But Uber is clearly losing that new-car smell. Manhattan writer Aparna Mukherjee said the last straw came last month when a top Uber executive talked about digging up dirt on journalists. Mukherjee has not used Uber since.

"Uber seems very tone-deaf in all of this," said Mukherjee, 41. "I would have called to complain, but they don't even have a phone number."

There actually is a phone number listed for Uber, but it's merely a recording that asks customers to email for support, although it does let callers know that if they sign up as a new Uber driver, they're guaranteed \$3,000 before the end of 2014.

Uber did not respond to emailed requests for comment on this story.

The Associated Press

Will rider safety be the Achilles heel for Uber?

Barbara Ortutay and Justin Pritchard, 4:44 p.m. EST December 13, 2014

Car-sharing startup app Uber has massive ambitions, but its tactics are starting to backfire, despite support from Silicon Valley. Bobbi Rebell reports. Video provided by Reuters Newslook

LOS ANGELES (AP) — The growth of ride-hailing companies such as Uber and Lyft so far has not been hindered by limits from government regulators and campaigns by taxi cab competitors. A bigger threat to the new industry's impressive start could come from customers — if enough people stop using the services over fears that drivers aren't safe.

Not safe as in the drivers won't get into an accident — safe as in they won't attack passengers.

Uber operates in more than 250 cities in 50 countries, and recently was valued at \$40 billion based on \$1.2 billion that investors poured into the company in its latest funding round. Lyft, meanwhile, operates in 70 markets in the U.S., up from 30 at the start of the year.

So far, controversies have not seemed to impact the popularity of ride-hailing apps. They boast several advantages over taxis, including no-cash payments and an app that shows how far away a car is and whether the driver received positive reviews from prior riders. Uber ranks 39th in the Apple iTunes store among the most popular free apps, ahead of Gmail and the music streaming service Pandora. Lyft, which is much smaller, is not in the top 100.

But just this week, California prosecutors sued both, saying they misrepresent and exaggerate the rigor of their background checks. Police in India questioned an Uber executive about its background checks after a driver was accused of raping a passenger. And Uber removed a driver in Chicago after a customer reported she was sexually assaulted during a ride in the city last month. The company said it is cooperating with police in what it called "an appalling and unacceptable incident."

This week's incidents follow scattered anecdotes of previous assaults by Uber drivers. They don't prove the services are unsafe alternatives to traditional taxis. But they do present a challenge if riders begin to think they reflect a systemic disregard for passenger safety.

Jeff Brewer, pastor at a church in the Chicago suburbs, wouldn't step into an Uber car. Though he likes the convenience Uber would bring, he sticks with taxis on trips into the city.

"Whether it's right or wrong, there's at least some sort of perception that there's a company that has vetted the person," he said.

As with airlines, if passenger safety becomes an ongoing issue with Uber rather than isolated incidents, it could face long-term consequences, said Alex Stanton, a crisis management and communications specialist.

"At some level, there is a point at which safety does trump convenience," Stanton said.

The safety and regulatory issues "absolutely" affect Uber's valuation, said Sam Hamadeh, CEO of research firm PrivCo. Unlike, say Twitter and WhatsApp, Uber is not a "nice, clean technology company, the type that venture capitalists in Silicon Valley usually invest in — which is software, Web apps" and so on, he said.

"Here you are talking about actually, physically having to transport people," he said. "Uber's work isn't done once the taxi is hailed on their app. That's when all the problems begin."

On its website, Uber says its drivers are "screened through a rigorous process we've developed using constantly improving standards." In a written statement, Uber added that it screens would-be drivers against "federal, multi-state and county criminal background checks spanning the past seven years." The company expects to complete more than 2 million checks this year, according to spokesman Lane Kasselmann.

But California prosecutors, who filed lawsuits against Uber in San Francisco Superior Court, say the company's safety checks are not as rigorous as they sound. Unlike with regulated taxis in San Francisco and Los Angeles, Uber's background checks do not require drivers be fingerprinted.

Hirease, the company that performs Uber's background checks, instead relies on "personal identifiers," such as license numbers and Social Security numbers are supplied by the applicants. As such, the lawsuit says, there is no way to ensure that the applicants are who they say they are.

As part of a settlement of a similar lawsuit, Uber rival Lyft agreed to drop claims that its background checks are the "best available" and the "gold standard."

Lyft spokeswoman Erin Simpson said in an emailed statement that the company has "pioneered strict safety screening criteria that far exceed what's required for taxis and limos in nearly every municipality across the country."

Regulators at the California Public Utilities Commission are revisiting ride-hailing company rules they put in place last year. Among the questions: "Did we get the criminal background check

right, is it exhaustive as it should be," said Marzia Zafar, director of the agency's policy and planning division. That review is likely to take about a year.

She did note that most of the 100 or so phone calls the commission received this year and converted into written complaints against ride-hailing companies had to do with fee charges, not safety.

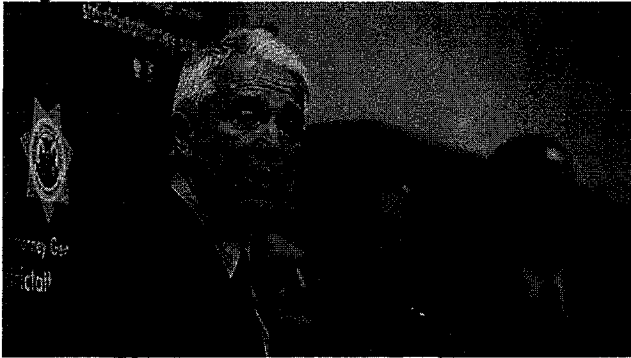
Cab drivers have seized on the safety issue, however, saying that taxi drivers have to pass government-standard checks which cost more but do a better job screening out bad applicants. The Taxicab, Limousine & Paratransit Association has launched a "Who's Driving You?" campaign targeting Uber and Lyft.

"Once consumers realize Uber and Lyft are cutting costs, they'll begin to shy away," said Dave Sutton, an association spokesman.

Ortutay reported from New York. Paul Elias contributed from San Francisco.

LA Times

Uber sued over unlawful business practices; Lyft settles



San Francisco Dist. Atty. George Gascon speaks during a new conference to announce a civil consumer protection action against rideshare company Uber on Dec. 9, 2014 in San Francisco. (Justin Sullivan / Getty Images)

By TRACEY LIEN AND RUSS MITCHELL

San Francisco, L.A. prosecutors sue Uber over unfair business practices
Background checks of Uber drivers 'completely worthless,' prosecutor says

Los Angeles and San Francisco district attorneys filed a consumer protection lawsuit against Uber on Tuesday, alleging that the popular ride-hailing company misleads consumers about the service's safety, overcharges them and thumbs its nose at the law.

Meanwhile, prosecutors reached a settlement with Lyft, a competing service, which agreed to "play by the rules," Los Angeles Dist. Atty. Jackie Lacey said. The companies provide smartphone apps that allow riders and private-car drivers to link up for a taxi-like service that is typically quicker and cheaper than calling a cab.

At a news conference Tuesday, San Francisco Dist. Atty. George Gascon accused Uber of making false and misleading statements about how it protects consumers and engaging in business practices that violate California law.

Uber says it uses an "industry-leading background check process," Gascon said, but does not fingerprint its drivers. The company's criminal checks are thus "completely worthless," he said.

"The company repeats this misleading statement, giving consumers a false sense of security when deciding whether to get into a stranger's car," he said.

At a separate news conference in Los Angeles, Lacey said: "It's not our goal to shut them down. What we're saying is the advertising is false."

Uber officials will continue meeting with the district attorneys to address their concerns, company spokeswoman Eva Behrend said.

She added: "Californians and California lawmakers all agree — Uber is an integral, safe and established part of the transportation ecosystem in the Golden State."

In their civil suit filed in San Francisco Superior Court, the district attorneys seek an injunction forcing Uber to "stop violating" California law, along with civil penalties and restitution for riders who suffered economic harm.

The district attorneys accuse Uber of fraud for charging a \$4 "airport fee toll" for rides to and from San Francisco International Airport, even when drivers weren't paying the toll, and for charging a \$1 "safe rides fee" for its background checks.

The suit probably will have no immediate effect on Uber. It's allowed to keep operating, and Gascon suggested that removing "misleading" language from its website and marketing materials might resolve that element of the complaint.

Financial penalties could be heavy. Gascon said the law allows up to \$2,500 per violation, and "there are tens of thousands of violations.... That will be up to the court." But Uber has plenty of cash, and recent investments in the company put its market value at \$40 billion.

The company has been lauded for its creative and aggressive approach to solving commuters' transportation problems. But critics call Uber an over-aggressive bully, and the company came under fire last month over its data and privacy policies.

As for Lyft, it has agreed to stop picking up passengers at airports until it obtains the necessary permits and approvals, and to submit its app to a state testing agency to measure accuracy in calculating fares, a move Uber refused to make.

Erin Simpson, director of communications at Lyft, said the agreement "demonstrates our shared commitment to consumers and innovation."

The lawsuit comes as Uber faces a string of legal setbacks. Portland, Ore., and Washoe County in Nevada have issued cease-and-desist orders against the ride-hailing company for failing to meet regulatory requirements.

Although ride-hailing services like Uber and Lyft don't see much need for regulation, and some regulators say the services are violating current law, the disputes indicate that a powerful market is emerging where no one is quite sure what the rules are. Court cases like the one the district attorneys filed could help define them, and legislators probably will face increasing pressure to provide clarification of their own.

In California, the Public Utilities Commission recently clarified the requirements for companies like Uber to operate in the state, requiring them to hold more extensive insurance policies and conduct more thorough vehicle safety inspections and background checks on drivers.

Thilo Koslowski, vice president and automotive practice leader at the technology analysis firm Gartner, said he's not surprised by the regulatory obstacles facing Uber.

"The company is still young and, because of the speed in which it's expanding, it's just encountering these things that are part of growing up," Koslowski said.

In addition to better background checks, Koslowski said the company may want to consider technological solutions like security cameras or an SOS button in each car for passengers.

"Uber has to address these problems because if it doesn't, it's at risk of letting these things get out of control," he said.

Overseas, Uber is also experiencing pushback. In New Delhi, the state government recently banned the service after an Uber driver reportedly raped a passenger. Police said that the company did not conduct an adequate background check on the driver, and that his car did not have a GPS tracking system installed, as required by law.

On Tuesday, Rio de Janeiro's municipal transport department filed a complaint against Uber and similar ride-hailing companies, saying they lacked the licenses to operate a taxi service. Drivers who continue to operate in the region risk having their cars seized, the department said.

A judge in Spain also ordered Uber to stop operating until it obtained appropriate authorization.

Uber sued by SF and LA, shut down in Spain and Thailand

Prosecutors: Uber doesn't even fingerprint its drivers, claims high safety mark.

by **Cyrus Farivar** - Dec 9 2014, 4:57pm PST

Ian Forrester

Lately, it's been just one thing after another for Uber, the not-quite-taxi company.

A year after legalization, DAs say startups violate single fare provision.

On Tuesday, the Los Angeles and San Francisco district attorneys jointly filed a civil lawsuit in San Francisco against Uber "for making false and misleading statements to consumers." The prosecutors made good on a September 2014 threat to sue Uber and its rival Lyft. Rather than face a suit, the pink mustachioed car company opted to settle and will pay \$500,000.

Amongst other allegations of unfair business practices, the prosecutors claim that Uber's background checks of its drivers are not quite up to snuff and that Uber charges a \$4 "airport toll fee" to customers coming to or from San Francisco International Airport even though that fee is not imposed by the airport itself.

Most flagrantly, Uber apparently does not fingerprint its drivers, but rather outsources its background check to a third party, Hirease. By contrast, prosecutors note, "taxi regulators in the most populous parts of California require drivers to undergo criminal background checks using fingerprint identification."

A company spokeswoman, Eva Behrend, did not respond to direct questions, but did send Ars a statement.

"Californians and California lawmakers all agree—Uber is an integral, safe, and established part of the transportation ecosystem in the Golden State," she wrote. "Uber has met with the District Attorneys to address their concerns regarding airport operations, the uberPOOL product; background checks, and operation of the app. We will continue to engage in discussions with the District Attorneys."

The company has been subject to a recent spate of international clashes with regulators, who argue that Uber and its drivers are in violation of taxi law. Uber, by contrast, claims that it is not a taxi company, does not own any vehicles, and therefore is not bound by such laws. In California, that argument eventually resulted in state regulators establishing an entirely new class of transit carriers to accommodate Uber, Lyft, and other rivals.

Elsewhere around the globe, according to *The New York Times*, regulators in Spain and Thailand ordered Uber to halt its services after finding that it was in violation of local transit law. In a related case, a Dutch appellate court found Monday that Uber drivers (known locally as UberPop) are also not in compliance with national law.

On Monday, the company was barred from the Indian capital, New Delhi, after an Uber driver was accused of raping a passenger. The company pulled out of Nevada last month following a court order. Also in November 2014, the city of Toronto asked a court to shut down the ridesharing service.

10 DECEMBER, 2014

CITY OF PORTLAND SUES UBER IN BID TO SHUT TAXI SERVICE DOWN

Dominic Rushe in New York

Tuesday 9 December 2014 15.24 GMT

Lawsuit claims Uber is violating city regulations and asks court to force cease and desist order just days after the taxi service launched in Oregon city

The city of Portland, Oregon, has filed a suit to shut down taxi service Uber just days after the controversial company launched there.

The lawsuit, filed late Monday, was the latest in a series of woes for the taxi app firm. On Tuesday a judge in Madrid, Spain, ordered the company to close its operations as the court considers a suit filed by the Madrid Taxi Association.

The company launched its lower-cost UberX service in Portland on Friday even as city officials declared it illegal. Until then, Portland had been the largest US city without Uber's service.

"Our main concern is public health and safety," mayor Charlie Hales said in a statement announcing the lawsuit. "Beyond that, though, is the issue of fairness. Taxi cab companies follow rules on public health and safety. So do hotels and restaurants and construction companies and scores of other service providers. Because everyone agrees: good regulations make for a safer community. Uber disagrees, so we're seeking a court injunction."

The lawsuit asks the court to confirm Uber is subject to the city's regulations and to halt its operations until it is in compliance. City commissioner Steve Novick said the city is prepared to issue civil and criminal penalties against Uber and its drivers for operating without required permits and inspections.

Portland prides itself on its progressive attitudes and city officials cited Uber's "surge" pricing – when the company can double or even triple fares during peak travel periods, – and lack of facilities for disabled passengers as major concerns.

"If Uber thinks there should be no maximum price on what they charge Portlanders, they should make their case to the Portland city council," Novick said. "If Uber thinks taxi companies shouldn't have to serve people with disabilities, they should make their case. If Uber thinks taxis

should not have to have proper insurance in case of a crash, they should tell us why we should allow that.”

Eva Behrend, a spokeswoman for Uber, said nearly 7,000 residents had signed a petition in support of Uber four hours after its launch. “Their support illustrates why it’s time to modernize Portland transportation regulation,” she said.

The company, now valued at \$41bn, has clashed repeatedly with city and government officials around the world. This week the Indian federal government called for state’s to clamp down on Uber and its rivals following a ban in New Delhi. That ban came after a passenger in the capital city accused an Uber driver of raping her.

The company’s services have come under fire in other countries with bans in place in Belgium, France, Germany and the Netherlands, where Uber’s European headquarters are based.

In the US, Uber and chief rival Lyft have been hit with cease-and-desist orders in Pennsylvania and Virginia. Uber shut its service in Nevada last month after after a district judge issued a restraining order against the ride-sharing service. The order followed a petition from the Nevada transportation authority that argued Uber’s unregulated business model endangered passenger safety.

While city and government officials have independently called for a crackdown on the company, Uber has also faced intense lobbying from established taxi service groups.

One of New York’s largest taxi driver groups called for rival Uber to have its license suspended last month after reports that it has been abusing access to data about its passengers’ rides.

CNET.com

Uber hit with lawsuit over launch in Portland, Ore.

After warning Uber that its planned launch would violate city regulations, Oregon's largest city files a lawsuit to shut down the ride-sharing service's operations there.

by Steven Musil

@stevenmusil

December 8, 2014 5:11 PM PST

Portland, Ore., officials filed a lawsuit Monday to shut down Uber there just days after the ride-sharing service launched in defiance of city officials.

The lawsuit, filed in the Oregon Circuit Court, claims Uber is operating in violation of Portland city regulations and asks the court to order Uber stop operations, in compliance with a cease and desist order issued earlier Monday by the city's transportation director. The action comes three days after the low-cost UberX service launched in Portland despite city officials having already deemed the service illegal.

"Our main concern is public health and safety, because the state invested in the cities the responsibility to do that," Mayor Charlie Hales said in a statement announcing the lawsuit. "Beyond that, though, is the issue of fairness. Taxi cab companies follow rules on public health and safety. So do hotels and restaurants and construction companies and scores of other service providers. Because everyone agrees: good regulations make for a safer community. Uber disagrees, so we're seeking a court injunction."

Uber, which continues to operate in Portland, said it was hopeful that a warm welcome it has Portland residents will translate into acceptance by city officials

"Their support illustrates why it's time to modernize Portland transportation regulation," Uber spokeswoman Eva Behrend said in a statement. "In less than 4 hours, nearly 7,000 Portland residents have signed the petition in support of Uber and we remain hopeful that the city will listen to Portlanders who want safe, reliable, hassle-free ride options now."

Uber, which operates in more than 250 cities in 50 countries, uses a smartphone app to connect riders with part-time drivers of private cars, oftentimes for less than the cost of a traditional taxi or car service.

Uber requires drivers to have background checks, \$1 million in insurance and inspections, but that hasn't deflected resistance to its launch plans from government regulators and taxi commissions, which argue that on-demand ride services don't adhere to the same regulations as traditional taxis. Ride-sharing apps have been hit with cease-and-desist orders in Pennsylvania and Virginia, and resistance to Uber and chief rival Lyft has also heated up in New York, San Francisco, Chicago, Washington, DC, Denver, Miami and Los Angeles.

Last month, Uber shut down its service in Nevada over what it called "confusion" about its business model, as it looks for a legal way to resume business in the state.

In response to news of Uber's planned launch, Portland transportation officials warned last week the city is prepared to issue civil and criminal penalties against Uber and its drivers for "operating without required permits and inspections." Uber drivers caught illegally picking up passengers in Portland could be fined up to \$2,250 and face arrest and possible jail time, according to The Oregonian, which first reported the service's impending launch in Portland.

The San Francisco-based company announced Thursday that it had raised a new round of funding totaling \$1.2 billion. This brings its valuation to between \$35 billion and \$40 billion and makes it the world's highest-valued venture-backed company. Uber plans to use the funding to expand into new markets in the Asia-Pacific region.

Updated at 6 p.m. PT *with Uber comment.*

San Francisco Examiner

November 21, 2014

Uber's negative public relations seen as systemic problem

By [Joe Fitzgerald Rodriguez](#) @FitztheReporter

Local transit tech company Uber has driven straight into a media-relations storm, and new revelations have local public-relations experts shaking their heads at the cascading controversy.

In its latest PR snafu, an Uber recruiting document leaked to BuzzFeed details the transit company's desire to "weaponize" facts to battle against taxi companies in a public relations war.

"Once we have the research, we have to weaponize and disseminate it," the document notes.

The aggressive tactics may have been in response to the taxi industry's national "Who's Driving You?" campaign, intended to promote the safety and reliability of traditional cabs over the tech ride upstarts.

Dave Sutton, a spokesman for the campaign, told The San Francisco Examiner "taxi companies have nothing to fear. Licensed taxis have been following the law painstakingly."

Uber's smartphone app connects riders with for-hire drivers in over 225 cities worldwide, but it is headquartered in South of Market here in The City. Recently an executive at Uber, Emil Michael, mentioned a plan to research and publicly smear a journalist.

The comment created a country-wide public relations crisis. #DeleteUber is now a trending hashtag on Twitter as Uber users delete the app in growing numbers.

Larry Kamer, a local public-relations crisis management expert, believes Uber's problem is about more than its public messaging.

"There's a big communications problem here, but there seems to be actual behavioral issues at the company that need to be addressed," Kamer told The Examiner. "This whole attitude of arrogance, misogyny, whatever you want to call it."

Michael's comments were directed at a female journalist, Sarah Lacy of PandoDaily. This has fed into an existing narrative about the company's alleged sexism, Kamer said.

"This will be especially true in an attentive, progressive place like San Francisco," he said.

That narrative began with earlier sexist remarks by Uber CEO Travis Kalanick, who said his position as CEO helped him in his sexual conquests, nicknaming the app "Boober." One Uber promotion tried to connect riders with "hot chicks."

The company also stoked privacy concerns by mining user data to determine which Uber users called cabs so they could avoid the "walk of shame" after sexual one-night stands, which Uber wrote about on its blog.

The company also tracked GPS data of journalists and others who used its service in multiple high-profile incidents.

"Last time I looked, technology did not enable us to walk on water," Kamer said. And though Kalanick tweeted an apology to the journalist who was targeted in the remarks, Kamer said that apology didn't go far enough.

"I teach a whole class on it" at the University of San Francisco, he said. "[Your apology] has to recognize what you've done to hurt or offend somebody."

Kamer would know, as he represented Nike during the '90s, as the shoe giant was rocked by national allegations that its shoes were made in sweatshops.

Nike survived. But will Uber recover from its negative publicity?

Attorney Christopher Dolan points to another media-relations mishap Uber recently recovered from: the death of Sofia Liu.

Liu was 6 years old when an Uber driver collided with her in the Tenderloin, leading to her death on New Year's Eve. The family hasn't been paid a dime in death insurance, which Uber says they are not liable for.

Dolan is suing Uber on behalf of the family. Despite Uber's callous response to the tragedy, Dolan said, people still stuck it out with the transit app.

"To some," Dolan said, "it's the heroin of transportation."

But why would a threat against a journalist garner more national outrage than the death of a young girl?

"Those poor parents were dealing with their own personal tragedy, they wouldn't have the human capacity, nobody would, to make the company pay," Kamer said.

The family also does not speak proficient English.

Lacy, however, is a national journalist with a voice that carries.

"She does have a platform," he said, "and this is a story dropping into a larger narrative."

Pittsburgh Post-Gazette / Philadelphia Inquirer

Uber battle heats up in Philadelphia

October 28, 2014 12:00 AM

By Kim Lyons / Pittsburgh Post-Gazette and Paul Nussbaum / Philadelphia Inquirer

While Lyft and Uber remain in neutral in Pittsburgh, the ride-sharing drama at the other end of the state has kicked into high gear.

Philadelphia Parking Authority officials vowed Monday to continue their crackdown on UberX drivers, impounding cars and issuing \$1,000 fines if the ride-share drivers attempt to pick up passengers in the city.

Six UberX drivers were stopped by PPA enforcement officers on Saturday and Sunday, and their cars were impounded. Each driver was given a \$1,000 citation and sent home.

Additional \$1,000 fines were levied for each instance against Uber for "aiding and abetting an unlicensed taxicab service," Philadelphia Parking Authority executive director Vincent J. Fenerty Jr. said Monday. Uber spokesman Taylor Bennett said Uber will pay the fines and impoundment fees.

Philadelphia is the latest battleground for Uber and other ride-share services, which have launched their popular services in hundreds of cities and then fought to win legislative and regulatory approval. The companies connect drivers in their own vehicles with passengers via smartphone apps.

After UberX and rival ride-share company Lyft moved into Pittsburgh earlier this year, both operated without licenses from any regulatory authority, and continued to operate even after the PUC issued July 1 cease-and-desist orders.

An officer with the PUC bureau of investigation and enforcement cited about two dozen Pittsburgh-area ride-share drivers in April for operating passenger carriers without the required certificate of public convenience, and proposed a civil penalty of \$1,000 for each driver. The PUC also requested the Pennsylvania Department of Transportation suspend the cited drivers' vehicle registrations.

Those cases are still pending a hearing before district justice Gene Ricciardi.

Unlike the Philadelphia Parking Authority, the state PUC does not have impoundment authority, according to spokeswoman Jennifer Kocher.

She said Monday that Uber's application was still pending, and so she could not comment on specifics. "But we weigh every case on its merits, and we use every tool at our disposal to enforce the law as it exists, with a focus on safety."

On Friday night, Uber announced it was beginning UberX service immediately in Philadelphia, in defiance of a ban by the PPA, which considers the ride-share service an illegal taxi operation. A separate service, Uber Black, operates a more expensive on-demand limousine service in Philadelphia in compliance with PPA rules.

Uber filed an application Friday night with the state Public Utility Commission for emergency temporary authority to operate in Philadelphia, as well as several surrounding counties, arguing that the PUC, not the PPA, has jurisdiction over ride-sharing services.

Previously, two PUC administrative law judges recommended against granting Uber and Lyft permanent authority to operate in Pennsylvania. The full PUC board has to make the final ruling on the applications.

KLAS TV Las Vegas

Ride-share service on hold, some Uber drivers vow to keep driving

Posted: Oct 27, 2014 5:03 PM PDT Updated: Oct 27, 2014 5:03 PM PDT

By Patranya Bhoolsuwan, Anchor/Reporter

LAS VEGAS -- A controversial ride-sharing service is continuing to defy state laws in Nevada.

Despite a court order last Friday banning Uber from operating in this state, drivers working for the company are still out there picking up customers.

One driver 8 News NOW spoke with picked up his first passengers Sunday and has had close to 10 customers since then. He says he will stay on the streets of Las Vegas as long as Uber vows to stay in business in Nevada.

"I can't find a job for my age. I am 75 years old," the driver said.

He didn't want us to show his face but he wasn't shy about telling his story. He has been out of work for a long time and when Uber came looking for drivers, he applied.

He says he doesn't plan to stop even after the state ordered the ride-sharing app, which is not regulated in Nevada, to stop operating and the Taxicab Authority started going after unlicensed transportation providers.

The driver says he is not afraid of being caught, getting his car impounded or having to pay \$10,000 fine.

Uber says it will continue to support their drivers including those who have been cited, which stands at 15 across the state so far.

"We stand behind our partners and drivers 100 percent and we will fight any unjust citations that they receive," Uber spokesperson Eva Behrend said.

Behrend says the company is not ruling out trying to change Nevada legislation to allow the company to operate here

Assemblyman Richard Carrillo, chairman of the State Assembly Transportation Committee, says Uber will first have to prove it is safe for both drivers and customers.

"Ultimately, they have to have responsibility they can't just say, 'well it's just an app on your phone. We have no responsibility other than that,'" Carrillo said.

Uber insists its driver's background checks are thorough and people with history of drugs and alcohol won't get hired.

"If they take business away from me, I will try to fight it," the Uber driver said. "I just started. I am going to keep doing it."

The driver we spoke with says customers can be assured he is a good driver because he used to drive a cab. The reason he says he quit being a taxi driver is because he wasn't making enough money, earning on average about \$10 a day.

A court hearing is set for November 6 to determine Uber's future in Nevada.

ABC Action News Philadelphia

Parking Authority Threatens to Shut Down Uber Service in Philadelphia

Uber launched a service this weekend in Philadelphia but this less expensive alternative has the PPA threatening hefty fines and big penalties.

Sunday, October 26, 2014 12:37AM

PHILADELPHIA (WPVI) --

Uber, the popular car service, launched what it calls UberX this weekend in Philadelphia but this less expensive alternative has the Philadelphia Parking Authority threatening hefty fines and big penalties.

Only Action News was on scene as an UberX driver was busted by the Philadelphia Parking Authority.

Lee Rudakewich's car was impounded and he received a \$1,000 fine.

"The first time I heard it was illegal was right now when I get busted for driving, nobody told me it was illegal before this," said Rudakewich.

"They are an illegal service provider. They're not licensed in the state of Pennsylvania or the county of Philadelphia. We are going to enforce the laws that are here," said Vince Fennerty, Philadelphia Parking Authority.

Uber and the PPA have been at war for months.

Uber calls itself a ridesharing revolution operated on a mobile platform.

Drivers often provide rides in their spare time.

Rudakewich is an out of work journalist. He was doing this to make money.

"They said 'We're launching today, if you would like to come in and start working today, you can,' and that's what I did. I started this afternoon," said Rudakewich.

However the PPA says Uber X drivers are not thoroughly screened nor are the vehicles

inspected and the insurance that drivers have is unclear.

"We consider this dangerous to anyone who would take these rides because nobody has been licensed by any type of agency to operate this type of service," said Fennerty.

UberX tried unsuccessfully to change the laws to allow it here.

JJ Balanan is fan of Uber-X and tried to use the service on Saturday night but there's been too much demand.

"Uber has worked in other cities and I think it's just a taxi monopoly trying to exert it's power," he said.

UberX spokesperson Taylor Bennett issued a statement saying:

"This is an abuse of power and a deliberate attempt to protect the status quo that has failed Philadelphians for too long. With \$1M insurance policy and the most stringent background checks, Uber is the safest ride on the road"

Tuscaloosa gives Uber ultimatum, vows to start arresting its drivers; move may end operations there

The city of Tuscaloosa has drawn a line in the sand and vowed to arrest drivers operating on the Uber platform beginning Wednesday. The move may permanently kill the company's efforts to operate there. (Uber)

By Stephen Dethrage | sdethrage@al.com
on October 06, 2014 at 6:00 AM, updated October 06, 2014 at 6:11 AM

TUSCALOOSA, Alabama -- The on-going strife between the city of Tuscaloosa and the app-based ride-sharing service Uber may come to a head this week after city officials said they'd begin Wednesday to arrest Uber drivers operating there.

Billy Guernier, the general manager for Uber Tuscaloosa, said more than a dozen city employees met with an Uber policy specialist Friday and drew a clear line in the sand, promising begin on Wednesday to arrest any Uber driver in the city and charge them with violating city codes that govern taxi services in Tuscaloosa.

"The message was "Unless you guys are willing to cease operations and stop offering this valuable option to consumers, we will no longer work with you, we will no longer negotiate with you, and beginning on Wednesday, we will begin arresting drivers for working on the Uber platform," Guernier paraphrased.

Guernier said the ultimatum comes after a month of failing negotiations between the two parties. He said he personally flew to Tuscaloosa to meet its mayor Walt Maddox last month, but the meeting never materialized. Guernier said Sunday morning that Uber has come to the table willing to compromise and ready to cooperate with the city, but has been met with continued resistance and a 'my way or the highway' attitude from city officials.

In their defense, city employees said it's Uber that is unwilling to compromise even after it was made clear that the city was willing to be flexible to make Uber work in the Druid City.

"Since the day Uber announced they were coming to Tuscaloosa the city has been open and willing to work with them. The willingness to reach an agreement has seemed to be one-sided," said Sgt. Brent Blankley, a spokesman for the Tuscaloosa Police Department. "The city has given Uber items that we would be willing to look into, but some of the things we will not change, such as [requiring] background checks, insurance and vehicle inspections, are for the safety of the passengers."

Blankley also confirmed that if Uber drivers continue to operate in the city without adhering to city codes by acquiring chauffeur's licenses, undergoing vehicle inspections and background checks run by the police department and more, they will be arrested this week.

"Uber has been told we would be enforcing the laws their drivers have been breaking since day one," Blankley said. "We started out with warnings and have moved to issuing citations and we have been very public about our actions. In the meeting Friday we did inform them we would be stepping up our enforcement to arrest drivers breaking the law."

Guernier, for his part, said he hopes Maddox and the city are bluffing and that they do not actually intend to arrest drivers for providing what he sees as a safe and much-needed option for moving around the city, whether it be after a night of drinking or a day at Bryant-Denny Stadium.

"I don't think any person who is rational will think that [arresting drivers] is the right choice," Guernier said. "But if they do, we're going to have to figure out what to do next. There's a possibility that Uber will no longer be available in Tuscaloosa."

Guernier said if the price of continuing to negotiate for Uber's future in Tuscaloosa is to cease all operations or see their drivers face jail time, there are plenty of other fish in the sea.

"If the city is actually willing to arrest drivers, it would be clear to me that their interests are so backwards and their focus so far off of improving life in Tuscaloosa, I wouldn't have any interest in working with them anymore," he said. "There are a lot of places that still need ride-sharing and still need UberX, and I'll be happy to take it to them."

Guernier said the demand for Uber in Tuscaloosa is clear, and pointed to the results of Uber's call for vocal, grassroots support in the city last week. Mayor Maddox told the Tuscaloosa News Thursday that he received more than 250 emails supporting Uber after the company asked its supporters to contact him.

Guernier said Sunday that he had two questions for Maddox personally. The first was whether or not the mayor believed that cracking down and arresting Uber's drivers was really in the city's best interests.

Guernier also said that so far, he and other Uber representatives have dealt only with police officers and the staffs of the city attorney and the revenue department. His second question was how to get Maddox and other elected officials who will be 'accountable to voters' to the negotiation table.

"How can we get you to be a part of this process, Mayor Maddox?" he asked. "Because we haven't been able to in the last month."

San Francisco Chronicle

Victim of alleged Uber hammer attack may lose eye

By Vivian Ho

Updated 8:35 am, Wednesday, October 1, 2014



Roberto Chicas, 35, was struck on the head with a hammer by his UberX driver, Patrick Karajah, 26, on Sept. 23, 2014. A week later, he and his doctors still don't know if he will be able to see out of his left eye. Photo: ONLINE_YES

- Uber driver accused of hammer attack on S.F. rider

Roberto Chicas thought his night was ending in the way it now does for countless others in San Francisco: He and his two friends called for an Uber.

The 35-year-old had finished a bartending shift in the early morning hours of Sept. 23 at the Cavalier in the South of Market and, after grabbing drinks at a nearby bar, he planned to return home to the Lower Haight.

But instead, his attorney said Tuesday, he and his friends got in the car of Patrick Karajah, a driver for the basic UberX service. And Chicas' night ended with him bleeding and unconscious on a sidewalk in Bernal Heights after Karajah allegedly struck him in the head with a hammer.

A week after the attack, Chicas and his doctors are unsure if he'll see out of his left eye again, said his attorney, Harry Stern. He has facial reconstructive surgeries ahead of him, as well as a long recovery period.

Stern said Chicas has not heard from the company that hired the man allegedly responsible for the attack.

Karajah, a 26-year-old Pacifica resident, was charged with assault with a deadly weapon and battery with serious bodily injury, and has pleaded not guilty. Stern, whose firm is conducting a separate investigation, said the attack raises questions about the growing ride services industry.

Though Karajah has no criminal record, Stern said it was "outrageous" that Uber hired someone who Chicas and his friends described as behaving erratically.

"In this instance, it seems like this was somebody with a hair trigger who fell through the cracks, someone who is unfit to be dealing with the public," Stern said. "The idea that this guy is carrying around a claw hammer readily accessible tells you he's ready for trouble."

Stern said the trouble began when Karajah took the freeway rather than city streets to get to Chicas' home. When the passengers asked the driver why he was taking that route, he became agitated, stopping twice to try to force them out of the car, Stern said.

"The female passenger really tried to placate the driver and calm everybody down, but the driver just got more and more agitated and finally snapped," Stern said.

He said Karajah pulled over in front of a public housing complex at Ellsworth Street and Alemany Boulevard, and told the three friends to get out.

"For reasons that are unknown at this point, he then snapped and smashed Roberto on the side of the head with a claw hammer," Stern said.

Karajah's attorney did not return calls seeking comment.

After the alleged attack, Uber released a statement saying safety was its top priority and that the company was "treating the matter with the utmost urgency and care. It is also our policy to immediately suspend a driver's account following any serious allegations, which we have done. We stand ready to assist authorities in any investigation."

Vivian Ho is a San Francisco Chronicle staff writer. E-mail: vho@sfchronicle.com Twitter: @VivianHo

Forbes

TECH 9/30/2014 @ 9:37PM

Uber Rider Might Lose An Eye From Driver's Hammer Attack. Could Uber Be Held Liable?

Roberto Chicas, a 35-year-old San Francisco bartender, climbed into an UberX car around 2 a.m. last week and expected to get home safely. Instead, he landed in the hospital after his driver allegedly bashed in his face with a hammer after a dispute over the route. The hammer attack left Chicas with a fractured skull and a severely bloodied eye. He was hospitalized for three days and is "in serious danger of losing his eye," said his attorney, Harry Stern. His driver, 26-year-old Patrick Karajah, was charged with two felony counts of assault and battery and is free on \$125,000 bail.

"The real issue now is whether he's going to permanently lose his sight in his eye," Stern said on Monday. "Right now there's so much blood in his eye they don't know whether that's going to resolve. His skull is fractured. He's going to need reconstructive surgery on his face."

Chicas's medical bills will cost hundreds of thousands of dollars, Stern said. And to add insult to injury, Uber ~~has yet to refund~~ took a week to refund Chicas's ride, Stern said — which means Uber charged Chicas the \$1 "Safe Rides Fee" it says goes toward keeping riders safe.

(Update, 10/1: Uber refunded the ride about an hour after this story was published, Stern and Uber both said.)

Stern says he's likely to sue Karajah — and Uber, too.

"There's no doubt that the trail of liability leads back to Uber's doorstep," Stern said. "We believe they should pay."

Uber clearly disagrees. Its terms of service, like those of Lyft, Sidecar, and similar sharing-economy startups like Airbnb, make it clear over and over again that they are not liable under any circumstances for bad things that might happen when you use the service.

“YOU EXPRESSLY WAIVE AND RELEASE THE COMPANY FROM ANY AND ALL ANY LIABILITY, CLAIMS OR DAMAGES ARISING FROM OR IN ANY WAY RELATED TO THE THIRD PARTY TRANSPORTATION PROVIDER,” Uber’s terms of service say.

Ride at your own risk of hammer attack, in other words. But law experts says that a company’s terms of service are far from waterproof — plaintiff’s lawyers usually find ways to poke holes in them. So what would it take for Uber to end up paying the bill?



Uber passenger Roberto Chicas could lose an eye after his driver allegedly attacked him with a hammer, his attorney said. (Courtesy Harry Stern)

‘Uber Is A Technology Company, Not A Transportation Company’

Uber’s first line of defense, and one that it has trotted out many times, is that it’s a marketplace and not a transportation provider. Whether you buy it or not, that’s a key distinction because online marketplaces are protected from the offline connections they facilitate because of Section 230 of the Communications Decency Act.

Section 230 is invoked when Craigslist sellers kill buyers, when Airbnb guests trash homes, when eBay **EBAY** -1.64% users sell forged autographs or when online users post libelous or illegal content.

Does it apply to Uber? Uber thinks so, but experts aren’t sure. Since Uber does control some of the matchmaking — passengers can’t choose their drivers, and prices are controlled by Uber — it might not be a free enough marketplace to qualify, said lawyer Venkat

Balasubramani. Even Eric Goldman, a Santa Clara University law professor who usually staunchly defends Section 230, wasn't sure that Uber would qualify: "There's a fine line between an online marketplace and a retailer," he said.

Section 230's defenses might also be crumbling. A federal judge recently ruled that a modeling website couldn't hide behind Section 230 when it was sued for not warning its models that rapists used the site to target new victims. "Congress has not provided an all purpose get-out-of-jail-free card for businesses that publish user content on the Internet," the judge wrote in the opinion.

Negligent Hiring or Training

Chicas's attorney Stern believes Uber might be vulnerable in this area. Unlike other violent drivers with criminal histories who passed Uber's "zero-tolerance" background checks – which is a whole other problem for Uber – Karajah doesn't have a criminal history, authorities said. But Uber could still be held liable if attorneys can show they failed to properly train drivers on how to navigate the city and how to deal with angry customers, Stern said. Proper training could arguably have prevented the route dispute in the first place or taught the driver how to defuse an argument — instead of reaching for a hammer. This approach might hold water, given that drivers say Uber doesn't meet prospective drivers for training before sending them off onto the road. "Part of training is how to deal with difficult confrontational situations," said Charles Rathbone, an assistant manager with San Francisco cab company Luxor. "We teach drivers how to get out of these things."

Inadequate Warning

Lawyers could also claim that Uber didn't adequately warn users that they ride at their own risk, especially after the modeling website

ruling suggested that online marketplaces can still be found liable for “failure to warn.”

Uber assures its users it has “an industry-leading background check process, regular motor vehicle checks, driver safety education, development of safety features in the app, and more.” Meanwhile, its terms of service say you are knowingly agreeing to possibly die in an Uber and acknowledge it’s not their fault.

That disconnect might get them in trouble, Goldman said. “They could argue that Uber should have warned the customers that injury by hardware was one possible risk of agreeing to the relationship,” he said.

Are Uber Drivers Employees Or Independent Contractors?

Uber, Lyft, Sidecar and others all hire drivers as independent contractors. But there’s some argument that that’s a misclassification, given the amount of control the companies exert over drivers.

Companies are usually less liable for the conduct of independent contractors than their employees. But Uber’s driver classification might not hold up in court — just like a federal court ruled that FedEx **FDX** 2.15% drivers were misclassified as independent contractors earlier this year.

“I think one of the risks is that there are so many specifications of being an Uber or Lyft driver is that it creates the risk of the marketplace controlling the behavior of the drivers to such an extent that they really are employees,” Goldman said.

What If This Had Been A Taxi Driver?

Taxi drivers assault passengers too. But cab companies are quick to jump on attacks like this and point out that they wouldn’t try to avoid liability in a similar incident.

“We recognize the liability stops with us,” Rathbone said. “People do not have to sign away all their rights to be a passenger in a taxicab.”

Rathbone said that Luxor's \$1 million general liability policy has an assault and battery addition, meaning it would cover attacks on riders by drivers. And a D.C. court has ruled that taxi companies are responsible for their driver's acts if the driver is in a car with company insignia — regardless of the driver's status as employee or independent contractor.

Uber's liability in assaults is being tested in various cases across the country, though I haven't yet found one where Uber has settled or paid any damages. (Uber did not respond to questions about compensating passengers for assaults but gave a boilerplate response that said, "Uber continues to connect riders and drivers with the safest rides on the road.") In Oklahoma City, a judge dismissed Uber as a defendant from a case where a driver punched his passenger and broke his teeth, ruling that Uber's drivers are independent contractors, not employees, and that the company was therefore not liable. An Arlington, Va. case where a driver attacked a passenger after the passenger burped is ongoing.

Even Chris Dolan, the personal injury lawyer who filed the suit against Uber in the case where a driver struck and killed a 6-year-old girl, is unsure where this will go. "We're in uncharted territory here," he said.

Update: Uber spokeswoman Eva Behrend sent along a new statement: "The injuries suffered by Mr Chicas are deplorable and we wish him a quick recovery. Uber's insurance provider is in contact with representatives of both the rider and driver, and of course we will continue to cooperate with authorities throughout the investigation."

AL.com

Tuscaloosa police charge Uber driver with possession of nearly quarter pound marijuana, drinking vodka while driving

By Sarah A. McCarty | smccarty@al.com

on September 17, 2014 at 11:27 AM, updated September 17, 2014 at 2:20 PM

TUSCALOOSA, Alabama -- Less than month since Uber launched its ride-share service in Tuscaloosa, police have charged one driver with possession of marijuana and issued several citations to other drivers for violating the city's taxicab ordinance.

Tuscaloosa police charged an Uber driver last week with possession of marijuana and possession of drug paraphernalia. Police also issued the driver, Brandon Devante Oliver, 21, of Tuscaloosa, citations for driving on a suspended license, violation of the open beverage law, not having a tag light, operating a vehicle for hire without a business license, not having a chauffeur permit, and operating a vehicle for hire without proper insurance.

The arrest was part of an undercover operation by the Tuscaloosa Police Department, which released a statement earlier this month saying that, according to the city's taxicab ordinance, "all drivers and companies that are involved in a taxi service or ride sharing program" must have a business license, a chauffeur license, a background check and vehicle inspection.

An undercover officer who used the Uber mobile app service rode with Oliver and said he smelled marijuana in the vehicle, according to a news release.

Officers later stopped the driver and said they found "a bottle of vodka that the driver had been mixing with a drink while driving and almost one-fourth pound of marijuana with baggies for distribution."

Oliver and the passenger at the time were arrested. The passenger, Wykey Montez Guyton, 21, of Tuscaloosa, was also charged with possession of marijuana.

During the undercover operation, officers rode with eight different Uber drivers and issued several other citations.

A 50-year-old female driver from Columbus, Miss., was given a warning citation and then picked up another officer less than an hour later, according to the news release.

She was issued city citations for operating a vehicle for hire without a business license, not having a vehicle for hire inspection, not having a chauffeur permit, and operating a vehicle for hire without proper insurance.

Six other drivers were all issued warnings citations for operating a vehicle for hire without a business license, not having a vehicle for hire inspection, not having a chauffeur permit, and operating a vehicle for hire without proper insurance.

The Tuscaloosa Police Department said it will continue to do these operations until the drivers comply with the city requirements for taxi services.

"We have been very lenient in the recent weeks making sure that everyone was aware of the requirements," the news release reads. "In future operations officers will not be issuing warning citations and will be issuing criminal city citations to drivers who do not comply with city regulations."

The Trouble With Uber

Sure, ride sharing is convenient, but it can also be dangerous.

Convenient, sure, but how risky?

By Susan Milligan July 15, 2014 | 9:45 a.m. EDT+ More

On paper (or, more accurately, on screen), it sounds like a great idea. There you are, needing a ride, unable to find a licensed cab, and there's your app on your smartphone, allowing you to summon a private car that will arrive in minutes and take you where you want to go. The service (Uber is a popular one) eliminates the need for dispatchers, and cuts down on wasteful time that full-time cabbies might be spending driving around and looking for fares.

But is it really safe – or fair to the taxi drivers who must deal with the formal regulations and licensing attached to official cabbie-ing?

Safety is a serious potential issue. There's the Daily Beast columnist who got an Uber ride in New York City, only to have the driver, at the end of the trip, present her with an iPad photo of her earlier in the day, wearing her workout clothes. It was a little creepy, she wrote – and she was right.

She gave the ride a one-star review, and was informed later that the man had been basically fired as a freelance driver. There was no attack here, but there could have been. What's a passenger to do if someone who has not been vetted by a cab company sexually harasses or assaults a passenger? The self-policing of providing ratings and reviews is insufficient. It's not like Ebay, where the worst that could happen is that your item doesn't arrive or doesn't arrive in good shape. Uber involves two strangers in a vehicle, and the potential dangers are high.

Driver safety is also an issue. A New York corporate executive told the Washington Post that he was basically kidnapped by an Uber driver who took him on a high-speed chase to get away from police. The passenger could have been seriously injured or killed.

And what of the cost? There are two possible victims here – the passengers who must pay higher "surge" fares when demand is high from bad weather, and the licensed cabbies who must pay for the privilege of making an average of 30-something thousand dollars a year to cart passengers around town. In New York City, a medallion – the license required to operate a cab – can run up to \$1 million. Uber says its drivers can earn in the six figures (a fact protesting Uber drivers have challenged). That may be possible when one avoids the cost of taxi regulation, but it's impossible when you're driving a formal cab.

There are surely things wrong, over-regulated and just outdated in the taxi industry. Travelers to Dulles airport, for example, can take any taxi there – but the taxi, after having made a gas-guzzling and lengthy trip to the site – isn't allowed to pick up a passenger to take back to the

city, as Washington Flyer has a monopoly on that service. That makes no environmental sense, and is horribly inconvenient as well. And it would make sense for formal cab companies to use an app system as well. But it's unfair to impose fees and regulations on trained and vetted cab drivers while others avoid playing by the rules.

Uber Fires D.C. Driver Who Kidnapped His Passengers



By Polly Mosendz July 10, 2014 11:57 AM

Uber Fires D.C. Driver Who Kidnapped His Passengers

Earlier this week, businessman Ryan Simonetti had a very unpleasant ride in an Uber. In an attempt to avoid a fine, the driver of his hired car kidnapped Simonetti and his two colleagues, taking them across state lines as a taxi inspector tracked behind him. Since the incident, Uber has fired the driver, but the situation has called into question Uber's vetting process for their drivers.

As Simonetti and his two coworkers approached the car they had ordered from UberBLACK, they noticed a D.C. taxi inspector speaking to their driver. It seemed the inspector requested some documents, and after the Uber driver handed them over, he took off with the passengers instead of waiting for the inspector to check the paperwork. After the Uber driver sped away, the inspector turned on his police lights and began trailing them.

Simonetti asked the driver what was going on, and if the inspector was a police officer, to which the Uber driver replied, "Oh no, he's not a real cop. I'm sorry, we're going to have to run this red light." The driver was going "well above the speed limit," and the passengers were asking him to slow down just enough so they could safely jump out of the vehicle. Instead, the driver continued through traffic, narrowly missing other vehicles.

Simonetti even attempted to physically force the driver's leg onto the brake pedal, before the driver finally pulled into an exit ramp. The inspector then pulled in front of the Uber, and the passengers were able to narrowly escape. However, the Uber driver wasn't quite finished yet, and decided to drive up the exit ramp the wrong way, crossing state lines into Virginia. The inspector stayed with the passengers.

The Uber driver's reasoning for the high speed case: if he stopped, he would get a \$2,000 fine. Now, he is facing an investigation from the D.C. Taxicab commission and is no longer with Uber.

Uber spokesperson Taylor Bennett told The Wire, "Uber became aware of a potential incident involving an UberBLACK trip in Washington, D.C., yesterday afternoon. Rider safety is our #1 priority. We will cooperate with authorities in their investigation and have deactivated the driver pending the outcome."

The entire debacle began because the driver had Virginia plates, and Uber was recently banned in Virginia. The inspector was checking to make sure the pick up in D.C. was done legally, through the app, which the District allows. It seems that it was, but before the inspector could confirm, the driver took off.

Incidents like this are certainly a bad look for Uber, as they attempt to fight for the right to operate in Virginia once again. In D.C., Uber also faced mass protests last month, as cab drivers push for Uber to comply with traditional Taxi and Limousine Commission regulations.

Next City

Will Uber Serve Customers With Disabilities?

BY TED TRAUTMAN | NEXT CITY | JUNE 30, 2014

A new suit claims that Uber and Lyft have violated the Americans With Disabilities Act. (AP Photo/Jeff Chiu)

While many of Uber and Lyft's legal battles have been initiated by the taxi industry, a lawsuit filed in Texas earlier this month accuses both firms of poorly serving a far more sympathetic community: the disabled.

The suit, filed by three mobility-impaired plaintiffs from San Antonio and Houston, claims that Uber and Lyft have violated the Americans With Disabilities Act, or ADA, by failing to provide a way for wheelchair users to take advantage of their services. It's up to the courts to decide if that is true, but the suit has drawn attention to the wildly varied ways in which peer-to-peer ride-sharing companies have addressed (or failed to address) the needs of customers with disabilities.

I've been particularly attuned to the needs of such customers since my father joined their ranks. An accident three years ago rendered him quadriplegic, and through his perspective, I've seen how much wheelchair-accessible transportation could — and should — be improved. In Minneapolis, where my father lives, wheelchair-accessible cabs are rare. The only alternative is a state-run paratransit service that picks up its passengers at unpredictable hours, which can make a simple trip to the store an all-day affair.

The ADA requires vehicles-for-hire to offer "reasonable accommodations" for wheelchair users, but "generally that phrase has meant nothing," says Sandra Rosenbloom, an urban planning professor at the University of Texas-Austin and a transportation expert at the Urban Institute. And though wheelchair-accessible vehicles are rare both in the traditional taxi system and through rideshare services, traditional taxi companies are required in many cities to make some of their vehicles wheelchair-accessible. Companies like Uber and Lyft have no such obligation.

Uber and Lyft have both made their apps compatible with text-to-speech tools for the vision-impaired. Uber has also partnered with the San Francisco non-profit LightHouse to identify new ways to serve blind and visually impaired customers. And Lyft has hired a consultant to advise it on disability-related issues. Summon, a smaller company operating only in the San Francisco Bay Area, this month introduced a financial incentive for drivers with wheelchair-accessible vehicles to pick up customers in wheelchairs. A Summon driver ordinarily keeps 80 percent of a given fare and pays the remainder to the company. Rides given to handicapped passengers now fetch the driver a higher portion of the fare; a spokeswoman declined to specify exactly how much. Wingz, another small Bay Area startup, which specializes in airport trips, goes even further: CEO Geoff Mathieux, told me the company makes no money at all on rides given to customers in wheelchairs. The driver is allowed to pocket the entire fare to encourage her to seek out such passengers in the future.

But even the basic concept of “wheelchair accessibility” has several shades of meaning. When I asked an Uber spokesman, Lane Kasselmann, if the company had the capacity to transport passengers in wheelchairs, his first response was to point out that all Uber vehicles can accommodate folding wheelchairs, which has likely been a boon to senior citizens and other customers with moderate mobility. But what about passengers in larger, heavier wheelchairs, who can’t easily move from those chairs to a car seat and back?

Some companies have a limited number of lift- or ramp-equipped vehicles in their vast networks, but so far no transportation network company has a systematic way to ensure that such vehicles will be available when and where customers in wheelchairs require them. A Lyft spokeswoman, Erin Simpson, explained to me that it’s a “unique challenge” for peer-to-peer rideshare outfits like Lyft and UberX to bring wheelchair-accessible vehicles into their networks “because these are people’s own cars that they use in everyday life to drive around.” Not many people drive accessible vans.

Uber, Lyft, Sidecar, Summon, Wingz, and Hitch laid out accessibility plans in documents submitted to the California Public Utilities Commission last winter as the state became the first to regulate ridesharing services. But Marilyn Golden, a senior policy analyst at the Disability

Rights Education and Defense Fund in Berkeley, California, said the documents were “all talk,” designed “to get around the objections raised by city councils who are trying to regulate them.”

Kasselman, the Uber spokesman, says that such criticisms “sound like arguments being made by the taxi industry, who has for a long time failed the disabled in their ability to actually provide service.” Kasselman told me that in March Uber launched a pilot program in Chicago in which wheelchair-accessible taxis operated by third parties – yellow cabs in the traditional, medallion-based system – will appear in the Uber app whenever the company’s own network can’t supply wheelchair-accessible vehicles. It’s an impressive, and needed, initiative, but it’s off to a slow start: So far it includes only a handful of independent drivers not affiliated with Open Taxis, the central dispatch in Chicago responsible for nearly all of the city’s wheelchair-accessible cabs.

So long as Uber contracts wheelchair-accessible vehicles through third parties, it is just providing another way for passengers to contact the existing fleet of accessible cabs. Marca Bristo, president of the Chicago disability advocacy group Access Living, told me her organization pushed for an increase in accessible cabs in Chicago partly because she expected companies like Uber to integrate them into their apps. “We don’t have enough accessible vehicles already, and now rideshare companies and cabs will both be using the same fleet, and it will be insufficient to meet the demand,” she said.

One alarming side effect of the transportation network companies’ rapid rise is that, in some cities, it could result in an overall decrease in taxi options for wheelchair users. These startups, which are mostly unregulated, are recruiting drivers aggressively and luring experienced cabbies who hope to earn more working for Uber or Lyft than they do in a yellow taxi.

As the few taxi drivers with wheelchair-accessible vehicles abandon the medallion-based taxi system (which, as I’ve mentioned, in many cities has a mandate to field a certain number of wheelchair-accessible vehicles) to join the less-regulated startup world using their own, non-accessible vehicles, it will become increasingly difficult to find the drivers to keep accessible cabs on the road. In San Francisco, a quarter of the city’s one hundred wheelchair-accessible taxis already sit idle for lack of drivers. Chicago had the same problem until the launch last fall of the wheelchair-friendly dispatch Open Taxis, which has attracted drivers with its own creative

incentives, including a customer vote that bestows a taxi medallion on passengers' favorite driver.

Rosenbloom said it's "always" been hard to keep those vehicles on the road. Passengers in wheelchairs can take time getting into and out of a vehicle – enough that some drivers are inclined to avoid them. Golden acknowledges that traditional taxis have their own problems with discrimination, but sees a crucial difference: "At least taxis are regulated, and when there is discrimination, something can be done about it. When there is no regulation, then nothing can be done about it."

Wheelchair access isn't the only issue, either. Marilyn Golden, of the Disability Rights Education and Defense Fund, told me she's heard of many instances in which rideshare drivers decline to allow a service animal in their vehicles. (The ADA explicitly states that all taxis must open their doors to service animals.) Representatives at Uber and Lyft, as well as at Sidecar, Summon, and Wingz all told me the companies have made it clear to their drivers that guide dogs and other service animals cannot be turned away.

Then there's the rating system. "If the drivers simply say, 'Passenger slow to board,' ... other drivers may not give me rides," Golden said. "But since nothing was mentioned about my having a disability, any screen that the companies put in place to find discriminatory statements will not pick that up." (A new taxi ordinance in Chicago requires companies with rating systems to give disabled passengers the opportunity to opt out of being rated by their driver.)

Accessible transportation need not be a marginal service: London's taxi fleet is 100 percent wheelchair-accessible. New York has plans for a fleet in which a reasonably impressive 50 percent of cabs would handle wheelchairs by 2020, but the rest of the U.S. lags far behind. As cities work to bring these transportation startups into their sphere of regulation, I hope they'll keep the needs of the disabled community in mind.

The Equity Factor is made possible with the support of the Surdna Foundation.

NBC Los Angeles

Uber Driver Arrested on Kidnap With Sexual Intent Charge

By Jason Kandel and Joel Grover

The NBC4 I-Team is looking into allegations that an Uber driver, who has now been arrested, allegedly kidnapped a woman with the intent of sexually assaulting her earlier this week. Joel Grover reports from West Hollywood for the NBC4 News at 5 p.m. on Tuesday, June 3, 2014

Wednesday, Jun 4, 2014 • Updated at 3:56 AM PDT

A 32-year-old driver for the rideshare service Uber was arrested on suspicion of kidnapping a woman and taking her to a motel room, police said on Tuesday.

Frederick Dencer, 32, of Encino, was arrested on suspicion of kidnap for purpose of sexual assault, police said.

He was being held in connection with the incident, reported Monday at 6 a.m. A woman said she had just left a motel room where a man she did not know was lying next to her with his shirt off, said LAPD Lt. Paul Vernon. She didn't know how she got there.

An Uber spokesman said the company learned of the incident through the media, suspended the driver's account and are cooperating with police.

"The facts are unknown at this stage and it's certainly unclear that this is an Uber-related incident, as the driver in question was not logged in, connected to or operating on the platform at the time," said Lane Kasselmann, a spokesman with Uber. "Nothing is more important to Uber than the safety of our riders."

The case came to light after the woman had woken up in a low-rent motel after a night of bar-hopping in West Los Angeles, police determined.

Vernon said the driver was offered a fare from a valet at a nightclub. The fare was not assigned from Uber, he said.

Detectives believe the woman's ride was not arranged officially through Uber, Vernon said.

Had this been an official Uber assignment, Dencer would have received the victim's home address with the fare, but in this case, the victim was too drunk to tell him.

The investigation led to the Panorama Motel, where detectives found Dencer in a room, Vernon said.

"Dencer answered questions but his story didn't make sense," Vernon said. "So it looks like Dencer took advantage of the situation, and drove her to a cheap motel, which he had visited before, and carried her into the room."

He slept overnight in the room, and when the woman woke up, he let her leave, though he asked her to stay, Vernon said.

"He took advantage of where he was at, what he was doing and saw an opportunity," Vernon said.

It was not immediately clear if the suspect had a lawyer.

NBC NEWS

LUCY NICHOLSON / REUTERS

States Warn of Rideshare Risks for Passengers

By Ben Popken May 28, 2014

Uber is under siege.

It's not from a rival company, such as Lyft or Sidecar, because they may be in the same boat. It's from states who are warning passengers that they may not be covered by insurance if the driver has an accident.

New Jersey last week became the 14th state along with the District of Columbia to issue warnings about the risks of using ride-shares like Uber, Lyft, or Sidecar.

Drawn by the power and ease of summoning a personal driver at the push of a smartphone button, passengers may not think to ask what happens when things go wrong. States, prodded by traditional tax bases, say rideshare companies may not be providing sufficient coverage. The budding industry says that's not true and they are being targeted for providing a competitive service.

Consumers, apparently, are caught in the middle.

Jason Herrera knows this only too well. He and a co-worker survived an accident in an UberX car that left them with injuries and unpaid medical bills.

"You buy a car, it comes with a warranty, you go step in a cab, you've got coverage," he told NBC Bay Area.

I stepped into an Uber car and I have to question whether or not I'm going to be covered if there's an accident?

"I stepped into an Uber car and I have to question whether or not I'm going to be covered if there's an accident?" he said.

Back on September 25th, 2013, co-worker Nikolas Kolintzas thought Herrera was dead. He was unconscious. Blood was coming from his mouth and head.

The pair were in San Francisco for a tech conference. Both had used "Uber Black" in the past, which sells rides from licensed chauffeurs of black sedans and SUVs. "UberX" was the hot startup's latest, cheaper offering.

There's a few reasons UberX costs less: a regular person can become an UberX driver; they're not licensed chauffeurs; and they use their own cars. UberX drivers can also use their existing

personal auto insurance policy. They're not required to get commercial liability insurance. So if an UberX driver gets into an accident, an insurance company can deny the claim.

Taxi companies say rideshare companies cut corners, leaving passengers at risk. A lawsuit filed May 21st by Connecticut taxi and livery firms asserts that Uber and Lyft "prey parasitically on existing taxi and livery services." To highlight potential risks of using rideshare services, The Taxicab, Limousine & Paratransit Association, representing 1,100 taxicab companies, has launched the "Who's Driving You?" campaign.

"They do not submit to regulation," and their insurance protections are "inadequate and unsafe," said Dave Sutton, a spokesman for the initiative.

States and municipalities are scrambling to figure out how to deal with fleets of unregulated independent contractors picking up and dropping off travelers for money on their streets. Three states, California, Colorado, and Illinois, have advanced bills to create new rideshare specific regulations. Colorado's rules await the governor's signature. The Illinois measure is expected to reach its governor's desk soon. But even California's, which passed the insurance commission in the assembly, is still under active negotiation.

California, Connecticut, the District of Columbia, Idaho, Kansas, Maryland, Michigan, Minnesota, Nebraska, New Jersey, New Mexico, Ohio, Rhode Island, Tennessee and Utah have all issued warnings about possible insurance risks from using rideshare services.

Meanwhile, the burgeoning industry says taxi companies are trying to suppress competition.

They didn't evolve, they didn't compete... they're playing games to protect their monopolies.

"They didn't evolve, they didn't compete. Now rather than catch up they're playing games to protect their monopolies," said Uber spokeswoman Nairi Hourdajian. She called the Connecticut lawsuit "baseless." Lyft said its assertions were based on "misinformation." Margaret Ryan, a spokeswoman for Sidecar, another rideshare company, said its safeguards make it as safe, if not safer, than a taxi.

Livery industry mudslinging was the farthest thing from Kolintzas' and Herrera's minds as their concussions wore off. Instead, they got another shock. When they filed a claim with the driver's insurance company, as instructed by Uber, the driver's insurance company refused to pay their medical bills, asserting that the driver was "driving for profit," according to the lawsuit they filed against Uber.

The suit claims unspecified compensatory damages for medical expenses, wage loss, breach of duty, and general negligence.

"There's no insurance gap at all on any trip on the Uber system," said Hourdajian, who declined to share dollar figures on claims paid. She said the company's \$1 million policy (Lyft and Sidecar have similar policies), provides enough coverage in case a driver's personal insurance does not. In contrast, said New Jersey Department of Banking and Insurance spokesman Marshall McKnight, many municipalities require taxis to carry \$300,000 in coverage. Sidecar's Ryan said the company is not aware of any case where insurance has failed to cover injury or vehicle damage.

But states say the rubber has yet to hit the road on how well passengers are protected under the rideshare companies' additional measures.

"Being covered by different policies for different uses of the vehicle is a new concept that has not been tested under our state's laws and in our courts," said New Jersey Insurance Commissioner Ken Kobylowski in a statement.

Hourdajian says Uber's commercial ridesharing insurance policy has been in place since its launch in early 2013.

"It has absolutely been tested — and the system works," she said.

Even if there is an insurance gap on the part of a rideshare driver, other protections may apply to keep passengers from having to pay for any injuries out of pocket, industry experts say.

Passengers who also own cars will have their auto insurance follow them into a rideshare car, said Kara Cross, general counsel for the Personal Insurance Federation of California, an industry group. And depending on their state, passengers' medical expenses may be covered up to their plan limits by their policy's Personal Injury Protection, depending on their state's regulations, said Progressive Insurance spokesman Jeff Sibel.

Of course, normal deductibles and limits apply.

"The onus is on the passenger to ask the right questions," said Insurance Information Institute spokeswoman Jeanne Salvatore.

However, one thing passengers may not easily be able to discern is the driver's past record.

In an undercover investigation, NBC Chicago hired several UberX drivers and ran their own background checks on them and found numerous tickets and a questionable driving history. One driver had 26 tickets. NBC Los Angeles got an ex-con hired as an UberX driver, even though she had priors going back two decades, including burglary, drugs and assault.

"There are felons getting through. People that should not be driving are driving for hire," said the taxi association's Sutton.

The rideshare services say their background checks are conducted by third parties and can exceed what's required of taxi drivers. Applicants are screened for their driving history and a criminal records check is run, which includes county and state level databases, as well as the national sex offender registry.

Despite the assurances, Kolintzas and Herrera are still waiting for someone to take responsibility for their medical bills. Kolintzas continues to suffer from anxiety problems, said their attorney, Colleen Li. Though Uber has a PDF of their insurance policy posted on their blog, Li said Uber didn't make that information available at the time of the accident and she hasn't gotten proof the policy was in effect when her clients were injured. Uber declined to comment on the case, citing the pending litigation.

Even after their experience, Kolintzas and Herrera have remained Uber customers. They've just gone back to using Uber Black. That way, Li said, they know their driver is carrying commercial driver's insurance.

Huffington Post

George Hobica

5 Very Good Reasons Why I'm Not On Board With Uber

Posted: 05/28/2014 6:04 pm EDT Updated: 07/28/2014 5:59 am EDT

It's common practice in the tech world to rush your product to market, picking up the pieces as you go. This works fine when you're in the business of selling ideas, or soft-serve ice cream delivery (somebody do this, please), or artisanal organic laundry service. Get it out there, apologize in advance that nothing's perfect, do better next time. No harm done.

Then there's a product like Uber. Uber, if you're just joining the conversation, is supposed to change the way city dwellers think about transportation. It's supposed to put taxis -- evil, evil monopolizing taxis with their beady-eyed drivers who want to steal your soul and drag you into their dirty, filthy webs of corruption, at least to hear Uber CEO Travis Kalanick tell it -- out of business, or at least make them change their wicked ways.

Look, that's fine. I've been riding cabs in New York City for years. Mostly it's not a big deal. Rarely is the experience pleasant.

And let's face it, cabbies in some cities *are* crooks. Even a few of them in New York. Lots of them in Athens.

A little healthy competition? Sign me up.

But not like this. Let's be clear: Uber has made a really slick little app. But when you fire it up and summon a driver, you're putting your life in their hands. Is that driver insured properly? Does he have liability insurance? Is it current or did it expire last week? Who's checking? What's the company's liability if you're injured in a crash? What are the local laws? What protections are there in your market?

Ask Uber these things and they'll smother you with smooth talk. That's fine. Uber is a corporation, just like any other, caring most about protecting itself. But don't we have a right to know if we're protected, too? Should a company that thinks it's perfectly fine to operate illegally be supported?

You'll pardon me if I stick to cabs for now -- here are, what I feel, five very good reasons you should do the same.

#1 Uber not only flaunts regulation, it thinks it has the right to go unregulated.

On one hand, I admire Uber's strategy -- become popular enough with users, rules of the market be damned, then enlist users to bully local officials into letting you operate there. Most of the time, it seems to work -- some city officials have even publicly stated that banning Uber would be bad for business. What city can afford to say no to one of the hottest new toys of the tech-savvy crowd? Other times, they get cease-and-desist letters (as happened in Houston), because the tech-savvy crowd, at Uber's behest, won't stop harassing City Hall. Uber and competitor Lyft are currently doing business - illegally - in the city. Again - it's all well and good to disrupt the marketplace, but this is a car service. Safety is a huge issue. I don't see how it's wrong to expect a corporation to think it's okay to break safety and licensing rules, just to get their product rolled out in a few new markets faster.

#2 When things go bad, Uber plays that always-annoying "what, who, us?" game.

There have been too many instances of this, but one really sticks out: A young girl crossing the street with her mother in San Francisco back in December was killed by a motorist who told cops he was working for Uber. Uber immediately released a statement saying he was not working for Uber, then released another statement clarifying that he was indeed logged on to the Uber app but not doing business for Uber at the time -- in other words, he was between passengers, which, according to Uber, meant they bore no responsibility. After all, you see, Uber isn't a transportation company, as they'll delight in telling you. They're a technology company. Drivers download the app and passengers hope for the best. If anything goes wrong? Uber has a bad habit of washing their hands. A wrongful-death lawsuit has been filed against the company.

#3 Uber doesn't screen its drivers adequately.

A driver in San Francisco that attacked a passenger physically and verbally was later found to have passed Uber's "zero-tolerance" background check with flying colors, despite a colorful criminal history. Another in Los Angeles bragged to NBC that she had a "three-page rap sheet." A test of drivers in Chicago revealed that many of them had almost zero knowledge of the city, which at the very least, is a disservice to passengers.

#4 Cabbies may not be angels, but neither are Uber drivers.

Where to start -- the Los Angeles driver who held a woman's phone hostage for a \$500 ransom, after she left in in her car? Uber apologized, deactivated the driver's account and essentially told the passenger to cross her fingers and hope for the best. Back in Chicago, another driver sexually assaulted his female passenger, landing the company in legal hot water. Give them

credit, I guess -- this time, they actually acknowledged the complaint, as opposed to playing the "she's lying" card. (Always a classy move.)

#5 The company's response to the growing chorus of negativity? Slap a surcharge on their customers.

Oh, wait, so you want a safe ride with a driver who doesn't know how to make toilet wine in his or her prison cell? Fine, says Uber: Please note our new \$1 "Safe Rides Fee." That's right -- users of their ride-sharing network, called UberX, now pay this fee every single time they ride, in order to "support the increased costs associated with our continued efforts to ensure the safest platform for Uber riders and drivers." So what they're saying is, fine everyone -- you want deeper background checks, more driver safety education and better insurance? Pay for it yourself. That kind of tells me everything I need to know about the way Uber thinks. Later for that.

And I also am fascinated by Uber's terms of service where it says:

THE COMPANY MAY INTRODUCE YOU TO THIRD PARTY TRANSPORTATION PROVIDERS FOR THE PURPOSES OF PROVIDING TRANSPORTATION. WE WILL NOT ASSESS THE SUITABILITY, LEGALITY OR ABILITY OF ANY THIRD PARTY TRANSPORTATION PROVIDERS AND YOU EXPRESSLY WAIVE AND RELEASE THE COMPANY FROM ANY AND ALL ANY LIABILITY, CLAIMS OR DAMAGES ARISING FROM OR IN ANY WAY RELATED TO THE THIRD PARTY TRANSPORTATION PROVIDER.

And especially:

THE QUALITY OF THE TRANSPORTATION SERVICES SCHEDULED THROUGH THE USE OF THE SERVICE OR APPLICATION IS ENTIRELY THE RESPONSIBILITY OF THE THIRD PARTY PROVIDER WHO ULTIMATELY PROVIDES SUCH TRANSPORTATION SERVICES TO YOU. YOU UNDERSTAND, THEREFORE, THAT BY USING THE APPLICATION AND THE SERVICE, YOU MAY BE EXPOSED TO TRANSPORTATION THAT IS POTENTIALLY DANGEROUS, OFFENSIVE, HARMFUL TO MINORS, UNSAFE OR OTHERWISE OBJECTIONABLE, AND THAT YOU USE THE APPLICATION AND THE SERVICE AT YOUR OWN RISK.

Anyway, Uber's days are numbered (sorry, all you VCs). As are those of taxi companies. Enter automated Google cars. Perhaps in a decade, not much longer than that, you'll use an app to summon an automated Google taxi, sans driver. It will take you to your destination by the shortest route every time. And it will be safer than any human driver. And no tipping required. And for that, I am definitely on board.

NBC Los Angeles

Risky Ride: Who's Behind the Wheel of Uber Cars?

How safe is Uber? The NBC4 ITeam investigates.

By Joel Grover and Keith Esparros

A months-long NBC4 I-Team investigation uncovered some dark truths behind UberX drivers, including convicted felons passing background checks and drivers stealing customers' belongings. Joel Grover reports for the NBC4 News at 11 p.m. Thursday, April 24, 2014.

Friday, May 2, 2014 • Updated at 7:48 AM PDT

A sure sign of success is when a company's name becomes a verb. Office workers frequently Xerox documents while others rush off to FedEx a package.

And now, a lot of passengers say they will "Uber" their way to meet friends.

The explosive growth of Uber can't be denied. In the five years since its birth in San Francisco, the ride sharing company now operates in 49 U.S. cities, and 35 counties around the globe, and it has rapidly become the hottest way to get around Southern California.

The company connects those in need of a ride with drivers happy to provide the car, all through a cell phone app. There are a variety of ways to get around -- from swanky "black car" limousine service to the more modest UberX, where anyone with a car and the inclination can apply to be a driver.

That's exactly what Beverly Locke did. Working with the NBC4 I-Team, Locke filled out all the necessary documentation needed to become an Uber driver. She proved she was a licensed driver with a safe car, and agreed to submit to a background check.

Four weeks later, she received an e-mail indicating her background check had cleared.

On her first day "on the job," she received a request from Paolo, a frequent UberX user, who was looking for a ride from his Hollywood apartment. He is an Uber fan.

"I use cabs a lot," said Paolo. "And, it's almost half the fare in Uber than for a taxi driver."

His phone lit up with a picture of Locke, and a message that said Beverly will pick him up in three minutes.

What he didn't know is that Beverly was an ex-con with a violent past. Her 20-year rap sheet includes burglary, cocaine possession, and making criminal threats with the intent to cause death or bodily injury.

"I pulled a girl out of a car and almost beat her to death," said Locke, who described herself as a reformed criminal with a good job and a desire to make up for her past. "I do not do criminal things anymore."

NBC4 asked Locke to cancel the ride, so the former convict never actually carried a passenger. But the NBC4 I-Team found several examples in which drivers with a criminal past have picked up Uber passengers.

Tadeusz Szczechowicz drove the streets of Chicago for a year, despite five prior arrests and two convictions for burglary and disorderly conduct.

Syed Muzzafar had a prior conviction for reckless driving, but he cleared the Uber background check and was behind the wheel New Year's Eve when he was arrested for hitting and killing a 6-year-old girl in San Francisco.

And, Jigneshkumar Patel was arrested for battery of an UberX passenger, a charge he said is "rubbish." Still, the UberX driver had a 2012 conviction for DUI.

Uber declined to talk to NBC4 directly, but did send emails describing corporate policy on background checks. A message said Uber "leads the industry" with its "best-in-class background checks for drivers."

Uber also said it has a "zero tolerance" policy for drug and alcohol offenses, and said it carefully screens applicants and immediately disqualifies anyone convicted of a crime in the past seven years.

Tanya and Daniel Sackler didn't know anything about the past of their UberX driver. He identified himself only by his first name.

The Sacklers said he stole \$2,500 in cash and personal items from them after he picked them up from LAX and dropped them off at their West Hollywood condo. The Sacklers filed a police report, saying the driver arrived at their home and quickly began unloading their baggage.

"He took them all and he put them in a pile," Daniel said.

While the Sacklers were dealing with their luggage, Tanya Sackler said their driver jumped back behind the wheel and quickly drove off with her purse, her husband's briefcase, a wallet with hundreds of dollars in it, and an iPad.

They had the driver's cell number, so they texted him right away, only to be told he was too busy to talk to them at the moment. The Sacklers said when they finally spoke to him, the driver told them he was not responsible for items left in his car.

In an email to the Sacklers, Uber told them, "We do not control the drivers, as they are not our employees." On its website, Uber said drivers are considered independent contractors.

"If I knew that this company had treated people this way, I would have never used it," Tanya said.

Beverly Locke said passengers could lose a lot more if they take a ride from an ex-con. And, picking up a passenger bound for an out-of-town trip might make for an easy target.

"I would pick somebody up, take them to the airport, and my second thought would be, go back to that house and see what's in there," she said. "A criminal mind always thinks like a criminal mind. Someone could be victimized by a person like me."

Uber spokespeople never responded to requests to talk specifically about Locke, and how she was able to pass a background check. But the NBC4 I-Team received an email from Lane Kasselmann, head of communications for Uber, that said, "We screen for convictions and violations going back seven years that are reasonably related to tasks the drivers perform (DUIs, violent/sexual offenses, major moving violations, etc. A former non-violent criminal ...may be permitted... We're confident that every ride on Uber is safer than a taxi."

NBC5Chicago

Ride Service May Pose Risk to Passengers

By Tammy Leitner and Lisa Capitanini

Passengers in Chicago and across the United States are taking rides from complete strangers and facing a potential risk, NBC5 Investigates has found. Tammy Leitner reports.

Friday, Apr 25, 2014 • Updated at 5:56 AM CDT

Passengers in Chicago and across the United States are taking rides from complete strangers and facing a potential risk, NBC5 Investigates has found.

Ride services are the modern twist on calling for a car service or taxi. The process is simple: Download an app on your smartphone, give your credit card information once, and then a total stranger will pick you up in his or her personal car.

Companies like Lyft, Sidecar and Wingz have quickly gained popularity and are operating in more than 100 cities worldwide.

Uber is arguably the most well-known of the real-time ride-service companies. And UberX -- the least expensive of the four types of cars offered by Uber -- has quickly gained national attention and a devoted group of followers. But an NBC Investigative team report found UberX drivers with questionable driving records and criminal pasts.

NBC5 Investigates went undercover, hiring UberX drivers to take us to some of Chicago's most popular landmarks -- and found not a single driver knew his way around the city.

NBC5 then ran background checks on each of the drivers and discovered ticket after ticket -- for speeding, illegal stops and running lights. One driver had 26 traffic tickets, yet still passed Uber's background check.

"I have a three-page rap sheet," said California reformed criminal Beverly Locke, who agreed to help NBC test the system.

Uber says it does not hire anyone with severe driving violations or convictions in the last seven years for violent crimes, felonies, sexual offenses, drugs, or DUIs.

So Locke filled out an online application for UberX and waited. The ex-con has priors in California, dating back two decades, for burglary, drugs and assault. She is currently on probation from a guilty plea from 2012, when she admitted she nearly beat a woman to death.

Yet four weeks after filling out the online UberX application, Locke was hired to be a driver.

"I was kind of baffled, still am baffled how they let me in," Locke said. "If I had been offered a job like this, knowing that my life of crime was in burglaries and robberies, I would probably be in somebody's house. I would pick somebody up, take them to their airport, and my second thought would be: Go back to that house."

Uber spokeswoman Lauren Altmin declined to comment on Locke's hire, but said, "Uber works hard to ensure that drivers on the system have undergone rigorous screening and background checks." She went on to say that Uber has run 8,400 background checks so far this year alone, and has flagged fifteen percent of the applicants.

Yet NBC 5 Investigates found plenty of questionable drivers across the United States that still made it through UberX's screening process.

In San Francisco, Syed Muzzafar was arrested for hitting and killing a six-year-old girl while driving for UberX on New Year's Eve. He also has a prior conviction for reckless driving 10 years ago, after he was arrested in Florida for driving 100 miles per hour into oncoming traffic, while trying to pass another car. Muzzafar declined comment through his attorney.

Back in Chicago, Tadeusz Szczechowicz told NBC5 he drove for UberX for a year - despite five prior arrests and two convictions for burglary and disorderly conduct.

And then there's Chicago UberX driver Jigneshkumar Patel. He was recently arrested for battery after a passenger accused him of sexual assault. She also took out a restraining order against him and filed a civil suit against him and Uber.

Patel calls the allegations "complete rubbish."

But NBC 5 Investigates found Patel should have never been hired by UberX in the first place, because he pleaded guilty to a DUI charge in 2012.

Uber again declined to comment, citing driver privacy.

"The consumer is in harm's way," said Illinois State Senator Martin Sandoval (D-Cicero), who also heads the Senate Transportation Committee.

Sandoval has led an effort to force ride-share companies to disclose information on background checks and turn over insurance policies. But -- so far -- these companies have been able to operate virtually unregulated in the Chicago-area.

"You are at risk when you get into a ride-sharing vehicle," Sandoval said. "And people should ask: 'Do you have insurance?'"

But Jason Herrera never thought to ask about insurance before taking a ride with an UberX driver last September in San Francisco.

"All I remember was waking up inside the ambulance," said Herrera, who ended up in the hospital after his UberX driver smashed into another car - that just happened to be driven by a relative of an NBC Bay Area employee.

"You expect them to have coverage when you're their customer and I'm paying the bill to Uber," he said.

That is a reasonable assumption for anyone riding in a taxi, because taxis are mandated to carry commercial insurance. However, UberX drivers -- as independent contractors -- are only required to carry personal auto insurance.

"They destroyed my life, Uber," said Bassim Elbatniji, who was driving the UberX car that landed Herrera in the hospital. Elbatniji was also injured.

"My car is gone, totaled completely," Elbatniji said. "And also the insurance: After this happened, they denied me."

Elbatniji's personal auto insurance company denied his claim. And Uber has denied responsibility as well. Herrera is suing Uber, but Elbatniji says he can't afford to sue.

Uber declined to comment on Herrera's lawsuit or Elbatniji's employment as a former UberX driver, but a spokeswoman told NBC5 that drivers and passengers are covered by a \$1 million commercial liability policy.

"Our insurance policy is in excess to the driver's own policy, but it acts as primary insurance if the driver's policy is not available for any reason, covering from the first dollar," the spokeswoman said in a statement. "We have provided this coverage since commencing ridesharing in early 2013."

But Elbatniji and Herrera both say that Uber's insurance has not paid in this case. The Uber spokesman would neither confirm nor deny that.

The Daily Beast

Olivia Nuzzi

Tech + Health

03.28.14

Uber's Biggest Problem Isn't Surge Pricing. What If It's Sexual Harassment by Drivers?

Private car services are popular among women who want to stay safe, but reports allege sexual harassment by drivers. Is it time to rethink services like Uber?

One afternoon in late September, I opened the Uber app and requested a ride. For the uninitiated, Uber is a hugely popular app that allows people to summon a private car with a few taps of their fingers. Since launching in 2009, the company has expanded to 34 countries, mainstreaming on-demand private transportation.

I met the Uber at the corner of the street where I live near Lincoln Center in New York City, and asked the driver to take me across town. It was an unremarkable trip.

Until the end.

At the end of the ride, the Uber driver asked me if I had been near Lincoln Center a few hours earlier. I said I hadn't, since I didn't remember walking past there. Then he took out his iPad. "Really?" he asked. "Because you look like this girl." He turned the iPad around to face the back seat. To my surprise, I saw a full-length, close-up picture of *me*, wearing the workout clothes I'd had on an hour previously.

The Uber driver asked me if I wanted him to send me the picture. I declined, and quickly got out of the car.

I opened the Uber app to write a review of the trip and outlined the uncomfortable exchange, giving it a 1-star review (Uber requires that all reviews include a star-review). I said it was possible that the driver had just taken a picture of the street, and noticed that I looked like someone he captured in the image. But there was no way it wasn't weird.

Uber responded that day:

I'm so sorry to hear about this uncomfortable situation. I can only imagine how this made you feel. I have turned this information over to our driver operations team. They will deal with [the driver] immediately. It is never ok for a rider to feel uneasy during a ride and we will do everything we can to ensure this type of experience does not happen again.

I know money can't solve everything, but I added \$20 in Uber credit to your account to help make up for any discomfort you may have felt on this ride.

I left it at that.

Then, a few days later, an email was forwarded to me from Sarah Lacy, a tech journalist who'd written about me previously. She had received it from the Uber driver. "I need your help to get my job back. (don't judge too quickly)" [sic], it was titled. He explained that he had been a driver for 20 years, and that what had happened between him and "jogger lady" was "innocent coincidence Misunderstanding" [sic]. He wrote that Uber had immediately fired him. He explained that he struggled to make ends meet, and that he tried to hire an attorney but it was too expensive. He complained that my review must have made it seem "like I'm a bad guy or something."

The driver included in the email an attachment of the picture he took of me, and a copy of the text message he received from Uber firing him.

UBER MSG. Your account has been deactivated due to complaints about your service. Please return the iPhone to our office between 10 - 2pm Mon-Fri.

The driver then sent the same email to me, at my professional email address, and to my employer.

I had previously been under the impression that the only personal information Uber provided to drivers about riders was a first name, so I was a bit confused as to how this driver had enough information about me to find out my employer. I reached out to Uber for clarification.

When Uber got back to me, they assured me that they were not at fault. The privacy and safety of customers, they said, was a priority. I was told that under no circumstance would an Uber driver be given the full name of an Uber customer—particularly not one that had just gotten him fired. Uber told me the driver must have *just recognized me*. Uber's decision to fire the driver so quickly was due to the fact that this was not the first time there had been complaints about him, they told me.

An Uber representative contacted the driver, and then sent him an email recapping what they discussed, and bcc'd me.

This email is a follow to our phone discussion.

- 1. You agreed to cease all communication with the rider and the rider's employer.*
- 2. You acknowledge that it showed extremely poor judgment and taste to show the rider a picture you took of her.*
- 3. You informed me that it was your legal aid who recognized the rider and shared with you her identity, not an employee of Uber.*

I still didn't buy Uber's explanation for how the driver learned my identity. I figured someone within the company screwed up and told him—but I let it go. I continued to use Uber.

Then, last week, five months after the first incident, a friend contacted me. Someone had messaged her on Facebook, telling her that a few days prior, they had been my Uber driver, and

"is she single lol" [sic]. Somehow, the driver had enough information to find me via Facebook, look up my Facebook friends, and message one of them.

So I asked Uber if their policy had changed to allow drivers to see the full names of riders.

Oops.

Their policy, a representative for Uber New York (the same rep I'd spoken to last fall) told me, never included anything about drivers not seeing the full names of passengers. When he and I had spoken a few months ago, and he'd assured me otherwise, he was wrong.

Reached for comment from The Daily Beast, Nairi Hourdajian, a spokeswoman for Uber, said, "The New York City and Limousine commission, along with the vast majority of jurisdictions across the country, do require first and last names on what is commonly called a waybill or trip record. It's intended to prevent gypsy cabbing in the taxi and livery industry... So Uber does provide trip sheets to drivers so that they can comply with those regulations that exist in most cities." The full name of the passenger, Hourdajian told The Daily Beast, *can* be accessed from within the Uber app by the driver.

Hourdajian said she couldn't say for sure why another representative for Uber told me the exact opposite just a few months earlier.

Based in San Francisco, Uber was founded as UberCab in March 2009 by Garrett Camp, one of the cofounders of StumbleUpon, an Internet discovery site, and Travis Kalanick, one of the cofounders of Red Swoosh, a file sharing company. Uber launched its mobile app in 2010, and expanded from San Francisco to more and more cities. Today, it operates in 34 different countries, including Japan, France, and Australia. Uber is valued at \$3.5 billion, according to The Fiscal Times.

This week, Republican Senator Marco Rubio appeared at Uber's offices in D.C., championing Uber's success because "regulation should never be a weapon used by connected and established industry to crowd out innovation and competition, and this is a real-world example."

Existing laws have prevented Uber from operating in Las Vegas, where the minimum time for a ride in a private car is one hour and in Miami, where a reservation for a limousine is required to be made an hour in advance, with a minimum fare of \$80.

The company has not been without its fair share of PR disasters concerning the privacy and safety of its customers.

In March 2013, a 20-year-old passenger in D.C. accused an Uber driver of rape. In April, prosecutors dropped the investigation.

In November 2013, a San Francisco man alleged that he was physically and verbally abused by an Uber driver.

In January 2014, a driver hit and killed a six year old girl. The driver, Uber said, was not working for Uber at the time of the incident, sparking something of a debate about what "working for Uber" really means. Being "on the clock," various Uber drivers have explained to me, means

that they are *logged on* to the app. If they are not logged on to the app, they are not, technically, "working for" Uber at that moment, even if they are in their vehicles and driving around. Uber received blowback for not taking responsibility for the accident.

Just last week, a Chicago woman filed a lawsuit against Uber Technologies Inc., claiming in a that an Uber driver "repeatedly fondled" her "legs, groin area and breasts."

If Uber's function was to take people in private vehicles from point A to point B, it would be easier to argue that the safety and privacy of customers should be enough of a priority to make sure that the whole company is at least *aware* of what the policies are. But that's not what Uber's function is. Uber's function is to *arrange for* customers to be taken in private vehicles from point A to point B.

Uber is not a car company, but a technology company. They do not own vehicles, but software. Thus, they operate in a gray area where they claim they should not be subject to the same regulations as traditional private transportation services.

Of course, harassment happens in taxis just as it does in ridesharing vehicles. When a colleague of mine tweeted "it's shocking how many young women i know who have been harassed by uber drivers" [sic], responses included, "more or less than by cab drivers? i've gotten all sorts of shit from cabbies." [sic] and, "I have never once experienced inappropriate behavior from an Uber driver. Have been made to feel unsafe in cabs many times."

But if you have a complaint about a taxi driver, you can call a phone number. It's posted right there in the taxi along with the driver's full name and ID number. And here in New York, the NYC Taxi & Limousine Commission makes all of its policies and driver requirements easily accessible via its website. It took about 60 seconds to track down everything a driver must pass to legally drive a NYC taxi, including a drug test, fingerprinting and a criminal background check, a defensive driving course, and a sex trafficking awareness course.

Who's Driving You is a public safety initiative that monitors transportation services like Uber and Lyft (a company whose drivers have also reportedly faced their share of harassment accusations). Dave Sutton, Who's Driving You's spokesman, told The Daily Beast, "Ride-share services are chock-full of dangers, especially gaps in insurance and poorly-conducted third-party background checks."

Last March, *The New Yorker* reported that at SXSW Uber hired 50 drivers to give festival attendees free rides. Uber recruited the drivers off Craigslist, gave them a background check and 45 minute orientation. "Twenty minutes of it was just filling out forms," one driver told the publication.

Sutton further stated, "With Uber, they don't have a physical location or phone number, so when people have problems, they go on social media, and the issues don't get addressed, and it's infuriating."

Uber has a form on their website where you can request help. The Daily Beast requested privacy and security policies via the form. More than 24 hours later, the request remained unanswered.

Many young women—like myself—were initially drawn to Uber because it seemed like a good way to stay safe. According to a 2000 poll by the Manhattan Borough President's Office, 87% of women reported being harassed on the street. Why go looking for a cab in the middle of the night, putting yourself in danger, when you can call a private car to come to your exact location?

But too many female Uber customers face harassment and unwanted advancements or comments from drivers. After I tweeted asking others to share their stories, Tamara Hendrickson emailed me to tell me that last weekend, she called an Uber after spending the day at a beer festival in Charlotte with her boyfriend. "I was nervous all day about riding alone at night, but after a long day of drinking my comfort level was up," she told me. "My boyfriend walked me to the car and we said our goodbyes."

The Uber driver, she said, "was very nice to begin with, but then he got a little flirty. I kept bringing up my boyfriend trying to let him know nothing was going to happen."

Then, at the end of her ride, Hendrickson said, "He brought up rating each other. Somehow he said he needed my number to be able to rate me as a rider. I didn't think much of it. A while later after being home, he texted me that it was nice to meet me."

The Daily Beast received an email from a woman who asked to remain anonymous, explaining that she took a short trip on a very cold night using Uber. "You're just spoiled and lazy," the driver told her. She gave him a 1-star rating, but panicked upon realizing that the driver—who knew where she lived—might know that she was the reason he was fired.

"The driver would obviously put two-and-two together and realize I was the one who gave him a one-star rating," she wrote. "Then I realized that he knew my first name [which is uniquely spelled] ... Maybe he had my real phone number, too. Worse yet, the driver knew where I lived, since he had picked up at my home."

She added, "In this era of convenience and on-demand service, we make some big privacy trade-offs."

Hourdajian said Uber "use[s] state-of-the-art anonymization technology, meaning the driver doesn't ever have a rider's true phone number, and vice versa." But just a few days ago, another representative from Uber in New York told me that drivers *can* see the riders' phone numbers if they text passengers. Asked specifically about the other representative's claim that drivers in fact can see passengers' phone numbers via text message, Hourdajian told The Daily Beast that "SMS functions exactly like calling, in that rider/driver can reach each other via phone call or SMS during a trip (anonymized of course). But not after a trip."

For probably more than half of my Uber trips, I am texted by the driver (sometimes instead of being called, sometimes in addition to being called).

Women use private car services to stay safe. They shouldn't have to worry about anything but buckling up and getting safely to their destination once they're in the car. For Uber, the question remains: will young women continue to use a service that provides strangers with their full name and, possibly, their phone number?



January 27, 2014 News » Transportation

Uber sued for wrongful death of 6-year-old SF girl

By Jessica Kwong @JessicaGKwong

The wrongful-death complaint filed Monday against Uber and a former driver could become a landmark case in holding app-based ride services responsible in fatal accidents for the first time since the companies infiltrated the transportation marketplace in recent years.

Since September, when the California Public Utilities Commission adopted regulations for "transportation network companies" such as Uber, Lyft and Sidecar, the ride services have been subject to a minimum of \$1 million-per-incident coverage for incidents involving vehicles and drivers in transit to or during a trip.

Monday's legal filing, the precursor to a lawsuit, is centered on the New Year's Eve death of 6-year-old Sophia Liu, who was struck and killed while crossing a street in the Tenderloin with her mother and brother, both of whom survived.

Syed Muzzafar, 57, was charged in connection with the accident and is out on bail.

Uber has denied responsibility and liability for the incident, citing the fact that Muzzafar told police he was awaiting a fare while driving around.

"The driver was not providing services on the Uber system during the time of the accident," wrote spokesman Andrew Noyes in a company blog shortly after the incident.

Christopher Dolan, who is representing the Liu family, said Muzzafar was engaging in commercial activity waiting for an Uber fare and thus the company is liable for his actions.

"Our lawsuit is going to make sure that Uber is not going to be able to get out of what is hundreds of years of well-established law regarding transportation companies just by some technical trick," said Dolan, who writes a column for The San Francisco Examiner. "This case is the first of its kind in the country and I hope it sets a model for the other ... cities that they operate, to hold them responsible."

While Uber refuses to accept responsibility for a driver who hasn't been hailed or is not carrying a passenger at the time of a collision or crash, drivers can run into problems with their own coverage as well.

Private insurance companies are declining coverage for ride service drivers who are looking for fares, Dolan said.

"Both the driver and the public are getting screwed," he said.

Muzzafar's attorney, Graham Archer, said his client had personal insurance and that Uber should cover claims because, "He was driving for Uber at the time of the accident."

"The position that Uber is taking creates a huge insurance hole that exists for every one of their drivers during a vast portion of the time that they are on the road on Uber's behalf," Archer said. "I don't think that's good public policy."

If Uber were to cover its "partners" so long as they had the app turned on, what would stop drivers from claiming they were engaging in commercial activity even when they were not?

Dolan said it's Uber's problem to fix their business model.

"They shouldn't be able to get out of covering the people they harm by this concern of their own employees taking advantage of them," he said.

Uber refused to comment on the case Monday.

Kara Cross, general counsel for the Personal Insurance Federation of California, which represents personal automobile and homeowner insurance companies, said Monday that there is a need for clarity at the CPUC level on when commercial liability insurance is triggered.

"It's going to be a growing problem, definitely," she said.

The insurance industry was anticipating an accident like this would occur, according to Cross.

"It's kind of a matter of time before you have a situation where folks are going to realize that perhaps there wasn't as much coverage as they thought," she said.

Among other allegations in the complaint is that Uber's app is a "distraction" to drivers, Dolan said. When a customer requests a ride, the app gives the driver an audible notification that he or she can simply tap the screen to accept. But Dolan argues that the app allows drivers to see where other drivers are in the area, as well as text and call to acknowledge a fare.

"They could do that through some audio accept or decline rather than the need to tap the screen," Dolan said.

Next City

We Don't Know a Lot About the Insurance Risks of Ride Sharing

BY NANCY SCOLA | JANUARY 6, 2014

The Tenderloin, the San Francisco neighborhood where a young girl was killed in an incident involving an UberX driver. Credit: AdamJackson1984 on Flickr

In reporting on a deadly New Year's Eve car accident involving an UberX driver, San Francisco public news outlet KQED pointed to its coverage of insurance issues raised by the fact that there's a new class of professional-ish drivers on the road who nonetheless don't carry the traditional protections we associate with professional driving. The driver in the case, reports KQED, "worked for UberX, which is Uber's 'ride-share' service, a competitor to Lyft and Sidecar." (Though it's worth noting that we don't know whether the driver had been hired out at the time of the incident.)

As we discussed here back in August, the California Public Utilities Commission coined the term Transportation Network Companies, or TNCs, to apply to outfits like Lyft, Sidecar and UberX, and largely signed off on them, with a handful of conditions.

I'll let KQED take it from here:

Lyft and the other TNCs point to the \$1 million per incident excess liability coverage that the California Public Utilities Commission (CPUC) requires them to carry. The policies are designed to deal with liability claims a driver's insurance doesn't cover. But the policies won't cover drivers' cars. That means the drivers must rely on their personal auto insurance policies — which still may leave them uncovered since insurers typically, though not always, bar claims if a driver's vehicle was in commercial use when an accident occurred.

This comes as evidence behind the knock against Uber that, as it grows like kudzu, it's offloading a considerable number of the burdens of running a business on individual drivers. At

least publicly, the company hasn't done all that much to equip its UberX drivers to know what they should do on the insurance front. A search for "insurance" in Uber.com's Help Center reveals just one result, and it only talks about how Uber's black car and taxi services contract with preexisting licensed and insured drivers.

A little help would be useful, because when a driver needs commercial insurance it isn't so cut-and-dried.

As a teenager in New Jersey, for example, I delivered pizzas for a hot minute until my dad, an attorney, made a strong case for why it wasn't okay that the pizza shop didn't cover me or my Camaro. Meanwhile, as the insurance company Progressive says, "even though an Avon representative may use her car to deliver products once a week, a personal insurance policy would still fit her needs." Commercial insurance tends to make more sense for fleet owners, as it's more cost-effective and there's greater coverage for things like replacing business-critical cars. But there's a good chance that your company will deny a claim on your personal insurance if you were working in some form at the time.

Indeed, the situation is such that even Esurance, the hassle-free insurance site, says, "The complexities involved in determining if you're a good fit for commercial car insurance obviate hard-and-fast answers."

The taxi industry is reviving its "if it quacks like a duck" argument, making the case that technology alone doesn't mean the old rules that apply to hired cars should fly out the window. Or in legalese, as the San Francisco Cab Drivers Association put it in its recent comments asking for a rehearing of the Public Utilities Commission's August decision, "There is no functional difference in the service TNCs and taxicabs provide."

In the meantime, the confusion has benefitted Uber and similar companies. Ride sharing has grabbed hold in the U.S., though there's little chance it would have if early-adopting drivers had been required to shell out extra money for commercial insurance. In 2014 we'll likely see vigorous debate over what it means to be a "professional" driver, and what burdens — insurance and otherwise — attach to it.

Forgive what might be too far a stretch, but the ride sharing situation echoes the late aughts' debate over the professional vs. the amateur in journalism, and who should get protections like so-called shield laws and the like. That fight has petered out with no real conclusions, but that probably won't happen here.

Your average blogger will rarely write something that puts him or her at risk. But driving a car carries risks every time you head out on the road.

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VALLEYWAG

The Weekend Uber Tried To Rip Everyone Off

Sam Biddle

- PRICE GOUGING
12/16/13 11:01am

For several hours on Saturday, Uber was maybe the most hated company in America. Some of the year's most atrocious weather dumped across the Northeast, and the transit company of the future hit customers with the worst price gouging we've ever seen—it would cost over a hundred bucks just to drive down the block. Get used to it.

Uber CEO Travis Kalanick is an adamant defender of his company's gouging practices, suggesting they're not going to change anytime soon. By jacking up the price of a standard UberX ride by a factor of seven or eight, Kalanick says he's incentivizing drivers to work during horrendous winter hell-storms, popular Saturday nights, or any other time when people really want to use Uber. More cars, more rides, everyone's happy.

Yes, but the opposite: people were disgusted by the exorbitant 8x pricing, and no one beyond those for whom money is no object could afford to use the service at all. Uber self-nullified in a display of greed. What's the point of increasing supply to meet demand if the supply is unusable? What's stopping Uber for going up to 10x pricing, or beyond? Kalanick's is a bullshit premise that lets Uber make bundles more whenever it wants, to the detriment of anyone who can't spend hundreds of dollars to go home. This is a shame not just because no one likes paying more money for a thing, but because it jeopardizes Uber's chance to become a really terrific urban utility.

Responding to criticism of the "surge" pricing program at a recent conference, Kalanick gave little smile and said Uber might just make price-boosted cars disappear to people who don't want (or can't afford) them.

That's Uber's solution: if you don't like price gouging, walk your ass down the street.

Which is sort of fair! No one is forcing you to hire a private car from your smartphone. Ride a bike. Take the subway. We could chalk this up to an Ayn Randian CEO fleecing the rich and lazy.

But sometimes you'll need to catch a car, whether to the airport, through a storm, to the hospital, a spot the train doesn't reach, or blackout drunk back home. Now, remember: Uber's ambitions go way beyond cars for hire. Just as Amazon became *The Everything Store*, Uber is determined to become an everythingmobile, cars that deliver humans and everything they want. Subject to 9x pricing.

That's down the the line a bit—for now, we're looking at the eradication of low-tech cabs. Uber doesn't hide its contempt for traditional taxi cab systems and dreams of their destruction. City cab companies are rife with problems of their own, yes, but subject to regulation—the kind of regulation we now know Uber badly needs to implement itself, or be forced into. Uber wants to

expand to every city in the country, and supplant existing cab systems—the ones subject to laws and regulations. For instance: if a yellow cab driver says it's going to cost an extra \$100 just because it's Friday, he'll lose his job. If Uber does it, it's the magical mitts of supply and demand pushing us around.

If more drivers leave traditional taxi companies for Uber—and I've talked to many who have—we step closer to cities where price gouging is the norm, where only the rich can get around, and where outrageous profiteering is the base fare. And if you don't like it, you can hit the road.

Uber Customer Claims Driver Assaulted Him

By NBC Bay Area Staff

Tuesday, Nov 26, 2013 • Updated at 5:44 AM PDT

The car service Uber is being blasted by a San Francisco customer claiming a driver assaulted him.

James Alva booked a ride home from a Castro bar early Sunday morning. He says he made it as far as the intersection of 18th and Market streets. That's where the driver allegedly ordered him out of the car and hit his phone out of his hands after using racist and homophobic slurs.

Alva was given a refund for his \$14 fare, but says the company isn't taking responsibility for the driver's behavior.

Uber says all of its drivers must pass a background check and are subject to ongoing reviews.

The San Francisco-based company also responded by reminding customers that "even before pickup, you are given your driver's name, photo, car type and license plate number so that you can make sure you're getting in the right car with the right driver."

Alva says the driver information did not match, but the driver knew his name, so he got in.



Media – International

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- c. PC World – South Korea rejects Uber's proposal to register its drivers
- d. Melbourne Herald Sun – Taxi watchdog's case against Uber driver delays
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Korea JoongAng Daily

February 6, 2015

Gov't slams door on Uber proposals

By Kim Ji-Yoon

The Ministry of Land, Infrastructure and Transport brushed off a proposal by a jet-setting, high-profile Uber executive that its drivers be registered by the government.

The ministry issued a statement on Thursday saying that the Korean government has no intention of accepting Uber's suggestions to "legally register" Uber drivers as taxi drivers.

In Korea, there is no central registration system for taxi drivers. One only needs to take a test and get a taxi driver's license. The government makes each taxi company and each vehicle be registered with a local government.

The proposal Wednesday by David Plouffe, senior vice president of policy and strategy at Uber, at a press conference in Seoul would mean the national government would have to establish a new registration system just for Uber drivers.

"The suggestion actually is a request to implement a taxi registration system in order to meet its goal of getting the Uber system acknowledged in Korea," wrote the Transport Ministry. "This clearly goes against the current government policy, which has been to control the number of cabs due to an oversupply.

"When competition gets even more heated, this may threaten the livelihood of existing taxi drivers, most of whom are already suffering from poor working conditions," the ministry added.

Since 2005, the ministry had each city government set a cap every five years to limit the number of taxis. In Seoul, the cap policy has led the city government to stop registering one-driver taxi companies since 2003 to reduce competition.

On Wednesday, Plouffe, who is a former White House adviser to U.S. President Barack Obama, called for legal recognition of the riding-share service at a press conference, saying it would help the local cab industry.

Plouffe said the company would implement a passenger insurance program for Uber cabs while also providing all GPS data collected by Uber cabs to the government, which he said would help the government when designing future transportation policies.

In its Thursday statement, the Transport Ministry reiterated that the Seattle-based company's Uber X and Uber Black services show a clear intention of bypassing Korea's transport laws.

Hindustan Times

February 5, 2015

Transport Chief Wants Ban on Uber App

Two months after the Delhi rape incident, where the driver of the Uber cab service allegedly raped a woman passenger, the state transport commissioner's office has recommended the smartphone application and website of the US-based taxi service be banned. The temporary ban has been sought until Uber fulfills all safety measures that have been made mandatory by the state under section 69 (A) of the Information Technology Act.

In a letter to the state government, transport commissioner's office has said Uber had failed to take the steps recommended to ensure the safety of passengers. Transport commissioner Mahesh Zagade was unavailable for comment, while officials said the state will now have to decide on the ban.

Following the Delhi incident, the Union government had directed all state governments to take preventive steps to avoid such incidents. The transport commissioner's office had then ordered all operators in the state to conduct police verification of drivers, install panic button in taxis, set up manned control rooms, form mobile squads and share driver and vehicle data with the police and transport authorities.

Sources in the transport department said the taxi aggregator has failed to submit the details of its drivers and vehicles.

In the last meeting, it also refused to stop cabbies without badges from plying the vehicles. Uber has not set up a manned control room and has also failed to form mobile units to provide immediate help to passengers in distress. The company conveyed the installation of a panic button, as suggested by the department, is not a practical idea.

Initially, the transport commissioner's office had given operators time till January 15 to get all security measures in place, but the deadline was later extended by six weeks after most operators sought more time.

February 5, 2015

South Korea rejects Uber's proposal to register its drivers

By Yewon Kang

South Korea has rejected a proposal made by Uber for a new registration system, ruling it's in conflict with government policy.

The move by the authorities reflects the hard stance the government has taken so far with the online cab-hailing service.

Seoul is already trying to ease the saturated taxi market, and by adopting a registration system, it would only intensify competition and threaten the survival of the existing cab drivers, the Ministry of Land, Infrastructure and Transport, said in a statement Thursday.

The ministry added that services like Uber Black and Uber X are "clearly illegal," and Uber is ignoring local laws by continuing its services, as its drivers are using privately-owned cars or rented vehicles.

"The Ministry along with the Seoul city will continue to strongly regulate Uber and file suit for any illegal activities," it said. The government is working to pass a bill in parliament to ban online ride summoning services like Uber's, it added.

Uber Korea had no immediate response to the government's decision.

Facing strong resistance from authorities in Korea and other countries, the company has offered suggestions to work with the regulators.

On Wednesday, David Plouffe, a senior vice president of Uber, said during a media briefing that a new technology should be regulated, not banned. He proposed a system to require Uber drivers to register and get legal commercial licenses, which would ensure that the minimum requirements of experience, background check for criminal records and insurance were met, according to a transcript provided by Uber. Such systems are already implemented in cities such as New York, Los Angeles and London, the company said.

In December, Korea filed a criminal charge against Uber CEO Travis Kalanick for allegedly flouting local transportation laws. If found guilty, he could face up to two years in prison, although he was never detained by the authorities. In addition, the Seoul city government offers a reward of 1 million won (US\$918) to those who report illegal activities by Uber.

Despite the controversies, Uber raised \$1.4 billion last year for an evaluation of \$40 billion. The global ride service company also introduced the Uber Taxi service last month working with an existing cab operator in Incheon, the second-largest city in Korea.

Melbourne Herald Sun

February 5, 2015

Taxi watchdog's case against Uber driver delayed

By Aleks Devic

THE taxi watchdog's bid to quash rogue ride-share company Uber has hit a road bump.

A test case was set to be heard in the Melbourne Magistrates' Court on Thursday but the defence team successfully delayed the case to obtain a key document to help its cause.

It is understood part of the defence will be to test whether the Taxi Service Commission's prosecution of drivers is legal and if Commissioner Graeme Samuel has the power to enforce the law.

The TSC filed the court action against 12 repeat offenders, seeking a maximum penalty of \$7500 and a conviction.

A guilty verdict would establish a legal ruling on the service that the TSC hopes would stamp out the practice.

It comes as Uber conducted a publicity stunt on Thursday, delivering a "kittens on demand" service where users pay \$40 to have a kitten delivered to a workplace and cuddled for 15 minutes.

The TSC, the taxi industry watchdog, has been fining drivers \$1700 but Uber has been paying the fines.

But the TSC has now taken repeat offenders to court.

Mr Samuel, the former chairman of the Australian Competition and Consumer Commission, is a strong opponent of Uber.

He will also be questioned in the stand as a witness in the court case.

Prosecutor Morgan Mclay on Thursday told the court a last-minute request for "a letter of delegation from TSC to Graeme Samuel" was made two days ago.

The case involving driver Nathan Brenner, who is charged with operating a commercial passenger vehicle without being authorised, was scheduled to begin on Thursday. It was adjourned to March 23.

If Mr Brenner is found guilty, it would have ramifications across Victoria.

Passengers use a mobile phone app to order an Uber X car — a private vehicle.

Tech Crunch

February 5, 2015

Uber Will Add Panic Button And Location/Journey Sharing In India On February 11

By Jon Russell

Late last year, Uber announced plans for tighter safety measures in India following the rape of a passenger using its service in December. Now it has confirmed that two major features — an in-app panic button and journey/location sharing — will roll out to users in India on February 11

The company went public with the launch date after Times Of India reported that the Mumbai transportation department was considering a ban on its service over its apparent approach to safety. Authorities are reportedly “not happy with Uber representatives’ responses during various meetings held to consider measures for passengers’ safety.”

Uber cleared the air on its plans to settle “some misconceptions” around its safety policy — which already includes more stringent background checks and a dedicated emergency response team. That will be boosted when the in-app panic button, which alerts local police when triggered, and a ‘safety net’ feature, which goes beyond Uber’s existing ‘share my ETA’ feature to let customers share details of their location and trip with up to five other people, go live in India next week.

The company previously said that these features will be rolled out worldwide at a later date, but India is the first priority in response to heightened concerns about safety following the rape incident.

Times Of India also reported that Uber has irked Mumbai authorities with its reluctance to install physical panic buttons in its drivers’ cars, something that new regulations have made mandatory in the city. Notes from the transportation department reportedly read that Uber “appears [to] want to put the onus of passenger safety on a cab’s owner and driver.”

Uber argued, however, that requiring physical panic buttons would be confusing because many drivers use multiple taxi app services. Since each one button is connected to a single taxi app service, that would necessitate multiple physical panic buttons in many cars, it argued.

“In a situation of distress the rider would have to pick the correct operator’s panic button to be able to get help on time. [In a car that works with India’s four top taxi app services] that’s 25

percent chance of success; and a decision that has to be made and executed in a split-second, if at all," Uber said in a blog post.

Uber did propose a single panic button — installed by the driver and connected directly to the local police — as a better option. However, it then hit out at officials in Mumbai, adding that "forward looking regulatory authorities in India are already embracing this position and requiring technology platforms to have in-app safety features."

The Uber returned to the road in New Delhi last month, six weeks after it was banned following the rape. The U.S. company applied for a mandatory radio license and revealed that it has adopted a non-profit model in the city until it is granted.

Reuters

February 4, 2015

South Korea rejects Uber registration proposal, vows to shut firm down

(Reuters) - South Korea on Thursday rejected online ride-sharing firm Uber Technologies Inc's proposal for a new driver registration system, and vowed to shut down the U.S. company's operations.

Uber on Wednesday proposed a registration system to allow its drivers to operate legally in Asia's fourth-largest economy, where CEO Travis Kalanick and the head of the company's South Korean unit have been indicted for violating licensing rules.

But the transport ministry said a parallel taxi registration system was unacceptable in a market already over-supplied with taxis.

"Transporting customers with private or rented cars and accepting compensation is clearly illegal. The company is ignoring local laws by stating its intention to continue such operations," the ministry said in a statement.

It said it would continue to curtail Uber's activities and work with legislators to ban the service.

An Uber spokeswoman declined to comment.

Four-year-old Uber, which helps users summon taxi-like services on their smartphones, has drawn criticism around the world, even as it has continued to expand rapidly into more than 250 cities globally.

In January, the city of Seoul started offering rewards of up to 1 million won (\$929) for people who reported private or rented car drivers providing transport through Uber.

In Europe, Uber has been hit with court injunctions in Belgium, France, Germany, the Netherlands and Spain for violating taxi licensing rules.

New York Times

February 4, 2015

Uber Tries to Ease Concerns in South Korea

By Choe Sang-Hun

SEOUL, South Korea — The ride-hailing service Uber said on Wednesday that it was asking the South Korean government to register its drivers so that it could overcome legal challenges and continue to operate here.

David Plouffe, a senior vice president of the San Francisco-based company, said Uber was eager to find solutions to regulatory concerns among South Korean officials that its service was unsafe and violated local transport laws.

Uber has been working to find a way to operate legally in South Korea since prosecutors here indicted its chief executive, Travis Kalanick, and its South Korean unit in December on charges of violating local rules that require drivers and vehicles used in taxi services to be licensed. In January, Seoul, South Korea's largest city, said it would offer a cash reward of up to 1 million won, or about \$910, for people reporting drivers of private or rented cars illegally providing transportation through Uber.

The company has services in more than 250 cities globally. But around the world, it has faced skepticism from regulators, and criticism from taxi and limousine services, which consider it a competitor. Last month, it said it planned to introduce background check procedures for drivers in India, weeks after a driver was charged with rape, prompting a ban on the service in parts of the country. Uber has recently shifted its business strategy to sustain its rapid expansion.

In an apparent move to bypass regulations in South Korea, Uber in January announced a deal with a taxi company in Incheon, a populous city west of Seoul, allowing passengers to hail the company's registered drivers through its smartphone application. But local telecommunications regulators threatened to sue Uber for violating rules on using location data.

On Wednesday, Mr. Plouffe said Uber's new technology should be "regulated," not banned. In its latest proposal, Uber said that a new registration system for its drivers would help remove concerns about Uber services by subjecting them to training, safety rules, background checks for criminal records, and insurance coverage for drivers and passengers.

As Mr. Plouffe unveiled the proposal in a Seoul hotel, dozens of local taxi drivers rallied outside, waving banners, including one that read: "Uber, stop trying and just leave Korea!"

February 3, 2015

Two months after Delhi sexual assault, Uber starts screening its drivers in India

By Steven Millward

Nearly two months after a female Uber passenger was raped by her driver in India's capital, Uber is now implementing full background checks on its drivers.

Uber's blog just announced that the firm will use a nationwide driver screening system for India after partnering with a background checking company called First Advantage.

Uber touts this as "additional layers of screening," but the company's many missteps in the run-up to the rape tragedy reveal that its original screening was practically non-existent. The Uber driver who attacked his passenger in December, Shiv Kumar Yadav, is a convicted rapist who served jail time in 2011. Yadav has confessed to the crime, but the trial has not yet started.

Authorities in Delhi banned Uber on December 8, a few days after the sexual assault. The company was allowed to recommence operations in the capital on January 23 after the US-based startup applied to become a licensed radio taxi operator. That will require all of Uber's drivers to install GPS-based tracking devices and acquire a transport department badge just like those displayed by regulated city cabbies.

Failing on safety

Delhi police said last month that the "driver did not undergo the mandatory police verification, and a background check was not conducted by [Uber]." Immediately after the attack, Uber blamed Indian authorities for failings in the mandatory verification system.

"Across India, Uber has always partnered exclusively with commercially licensed and insured driver-partners who are required to go through multiple verifications as part of government mandated transport licensing processes," stressed Uber's newest blog post.

The new deal between Uber and First Advantage means "additional layers of screening over and above the standard transport licensing process," such as "address verification, a local criminal court search, and a national criminal database search."

Many will point out that those are safeguards that should have been in place from day one. Uber first launched in India in August 2013.

Time Magazine

February 3, 2015

Uber Rolls Out Tougher Driver Background Checks After India Rape Case

By Victor Luckerson

Uber introduced the tougher background checks in India on Monday that the ride-hailing app had promised after the alleged rape of a customer by one of its drivers in December.

The company said it's partnering with First Advantage, which performs background checks, to begin screening all of its India drivers in a more in-depth fashion. The new screening process will include requiring address verification, a local criminal court search and a national criminal database search, Uber said in a blog post.

"We have a deep, long-term commitment to set the highest standard for safety across the industry," the company said. "Our efforts to this commitment in India and around the world will be tireless and absolute."

Uber was banned in New Delhi after a 25-year-old woman accused the driver, Shiv Kumar Yadav, of assaulting her during a ride home in December. The woman is now suing Uber in its home state of San Francisco, while the driver has been charged with rape and kidnapping in a New Delhi court.

Uber Safety Lawsuit: Lax Ride-Sharing Model 'Inherently Dangerous,' Class Action Claims

By Christopher Zara @christopherzara c.zara@ibtimes.com on January 27 2015 10:06 AM

A federal lawsuit charges that Uber Technologies Inc. routinely uses false statements to dispel concerns about getting into strangers' cars. Reuters

Uber is keen on boasting that it has the "safest rides on the road," but a lawsuit is looking to make a dent in that claim. The litigation, filed Monday in U.S. District Court in Northern California, accuses Uber Technologies Inc., the popular ride-sharing firm based in San Francisco, of willfully misleading riders by pitching itself as a safe transportation option despite a litany of "negligible" security precautions.

The lawsuit asserts that Uber's marketing materials routinely make unsubstantiated statements meant to lull potential customers into a false sense of security and "dispel the concern many would have about getting into the backseat of a stranger's car." The legal complaint cites numerous promotional material on the Uber website, featuring pictures of young women getting into Uber cars along with statements such as the following:

"From the moment you request a ride to the moment you arrive, the Uber experience has been designed from the ground up with your safety in mind."

The lawsuit cites promotional material showing women riding in Uber cars. Uber

Despite the catchy tagline, Jacob Sabatino, an Uber customer from Orange County, California, and the single named plaintiff on the suit, says safety is the last thing on Uber's mind. In the suit, lawyers for Sabatino assert that Uber has no training program, offers no oversight or supervision of its drivers and, in fact, doesn't even meet them in person.

What's more, while Uber insists it conducts "industry-leading" background checks on drivers, those background checks are outsourced to a third party.

From the complaint:

"Uber does not guarantee the suitability, safety or ability of third party providers ... By using the services, you acknowledge that you may be exposed to situations involving third party providers that are potentially unsafe, offensive, harmful to minors, or otherwise objectionable, and that use of third party providers arranged or scheduled using the service is at your own risk and judgment. Uber shall not have any liability arising from or in any way related to your transactions or relationship with third party providers."

A spokesperson for Uber did not immediately respond to a request for comment.

The subject of Uber safety has gained increased attention over the last few months. In December, an Uber driver in New Delhi was charged with raping a 27-year-old woman. That same month in South Africa, Nikki Williams, a singer, was allegedly harassed by her Uber driver. After numerous sexual-assault allegations emerged against Uber drivers in Chicago and Boston, the company added a "safe ride checklist" in those cities in January, but critics said it doesn't go far enough.

And maybe it never will, according to Sabatino, who said Uber "recognizes" that putting members of the public in strangers' personal cars is an "inherently dangerous" way to do business. "Fundamental to Uber's model is the inherent concept that members of the consuming public will be stepping into the backseat of a stranger's private car with virtually no oversight or protection," Sabatino's lawyers wrote. "There are no security cameras, no special markings on the cars, and no sense of company or authoritative oversight."

Sabatino is suing on the grounds of unfair competition, false advertising and violating California's Consumer Legal Remedies Act. His lawyers are seeking an enjoining order to stop the alleged violations. Non-specific damages are also sought.

The lawyers also are seeking class-action status that would include all U.S. customers who have downloaded and used the Uber app to obtain rides from the company.

Uber's formula for growth - Negative PR?

Dec 15, 2014

*This story of Uber originally appeared on the **Stayuncle blog***

More or less – everybody loves Uber. It is audacious, ever in the spot light and it offers a choice. It keeps surprising you, it fulfills your ego's long lasting cravings, it delivers flowers to your girlfriend before you get to her and even Christmas trees straight at your doorsteps. It blackmails journalists sabotages its competitors and its CEO Travis Kalanick openly calls his own company “boober” (you can guess why).

What does this tell us?

The company was never short of PR. **Mostly negative.**

This takes us to a very peculiar question. Is Uber in possession of a secret recipe for growth? Does it take advantage of PR and media buzz to boost its operation in the new cities it enters? Is there even such thing as bad PR when now in this digital era success is directly correlated with your name being searched on Search engines?

As entrepreneurs we are curious and we want to learn from those who have done it to the top. We observed. Therefore we think there is a trend here. The past 3-4 years of Uber history have shown that every time Uber enters new city a scandal of some sort or legal battle with state or national level legislative follows up that skyrockets the company's PR.

It even looks like the company intentionally invites headlines and reactions hence even more PR by responding to these instances in audacious and provocative manner. The mass media seem to follow practically every move of theirs anticipating for the next juicy story.

Journalists and influencers write about their nasty behavior against Lyft, public stunts like the ice cream truck in London and even why their job ads suck.

To see whether there is a direct correlation between Uber controversies and Uber's popularity we shall use Google Trends data corresponding to the period when these controversies popped out.

Let's have a look at few examples:

- **New Delhi, India, 8th of September 2014.**

Last Monday, the Delhi region's Transport Department banned Uber and its Indian clones and declared their operations in the National Capital Region illegal on various grounds. The reason was the allegation on raping conducted by an Uber driver who turned out to have a history of

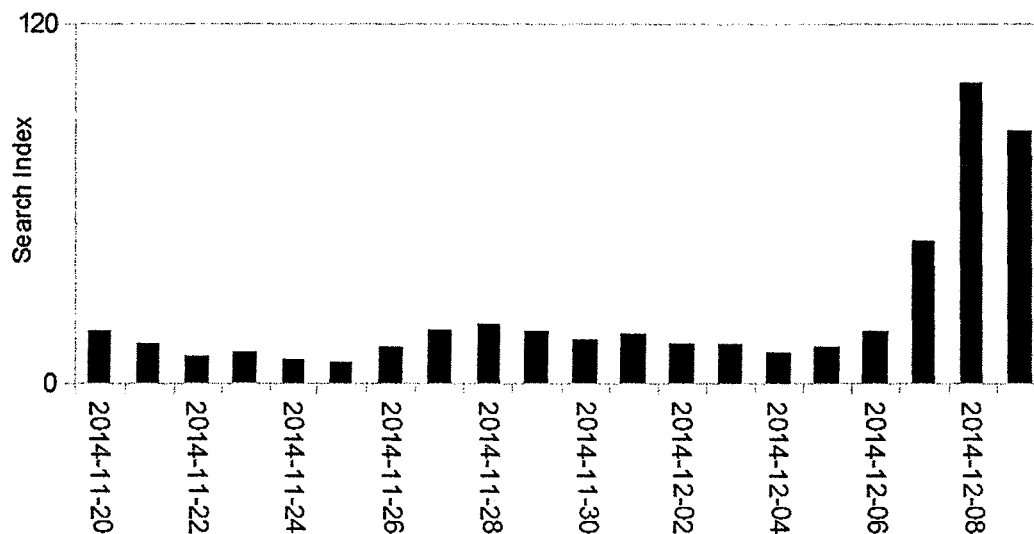
former raping convictions. It was stated by many that Uber failed to conduct background checks on its drivers. The ride-hailing service also did not seek any local registrations under the Motor Vehicles Act and operated purely as a virtual entity.

Yet, Uber is still on the streets of Delhi. A his story on Quartz India Apar Gupta tells how a driver had shown him a text message on his mobile phone that he said was from Uber.

The message asked him *not to lose faith in the service "in these difficult times"* and said Uber would continue to operate.

How difficult these times are indeed for Uber?

uber keyword search index - India



- **Berlin, Germany August 2014**

In early 2014, Berlin authorities ruled against Uber—which operates in the German cities of Berlin, Munich, Frankfurt, Hamburg, and Düsseldorf—on two occasions following a case filed by the Berlin Taxi Association (source: Wikipedia).

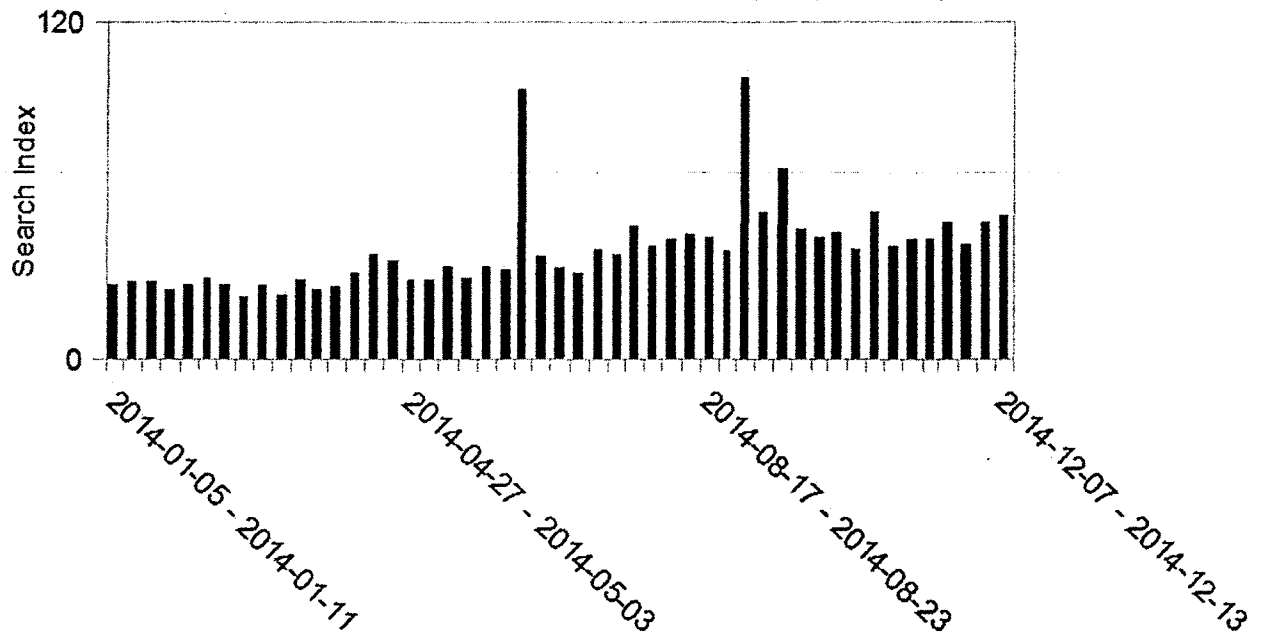
The first ruling, delivered by a court of law in April 2014, deemed Uber's limousine service to be in breach of local legislation, while an August 13, 2014 decision banned the service from operating in Berlin due to safety concerns—the latter decision, which includes a €25,000 (Euro) (US\$33,400) fine for non-compliance, cited issues pertaining to unregulated vehicles and unqualified drivers who are not properly insured.

Guess what Uber did next.

After the disruptions, Uber hit back in Germany by emailing its clients offering a 50 percent discount on all shared rides for the duration of the day. Almost simultaneously this has become

another round of [Uber]sational news and headlines which soon spilled onto online media giving another" shot" of online buzz.

uber keyword search index - Germany



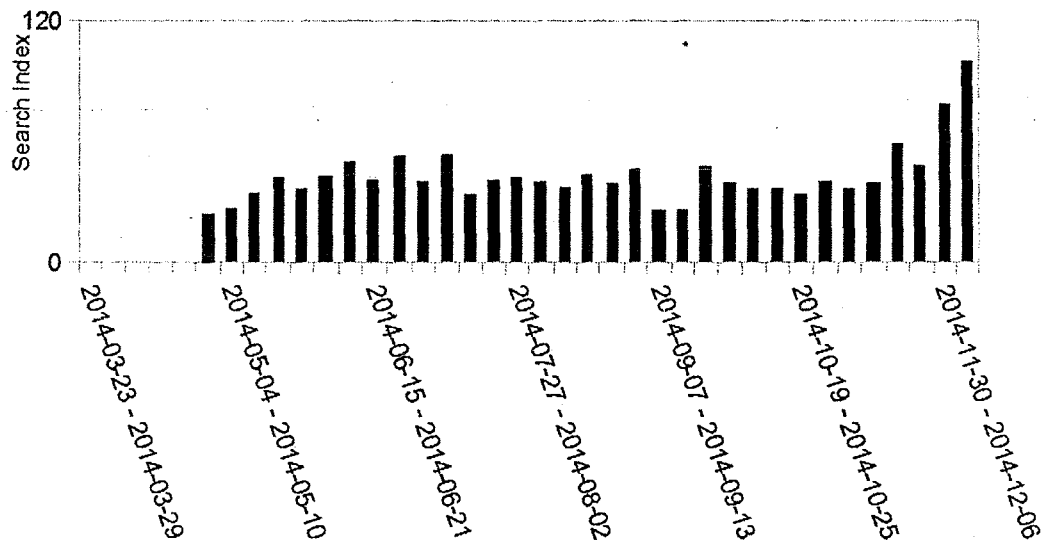
•April 2014 South Korea.

The Seoul city government released an official statement in July 2014 expressing its intention to seek a ban on Uber's smartphone app. A Seoul driver received a one-million won (US\$974) fine in April 2014 after using Uber to solicit customers in a rented car.

The city government also initiated a police investigation of Uber in June 2014, but the request was suspended due to a lack of evidence; however, the July statement indicated that the investigation would be recommenced. A response from Uber warned the government that it risked being "trapped in the past" (Source: Wikipedia)

It seems that this gave Uber the necessary push and dramatically increased the curiosity and interest level of South Koreans towards Uber. The chart below shows that virtually there was practically no interest or "uber" based keywords coming from this country before. Uber suddenly becomes [Uber]licious for the people of South Korea after the news above blasted out...

uber keyword search index - South Korea

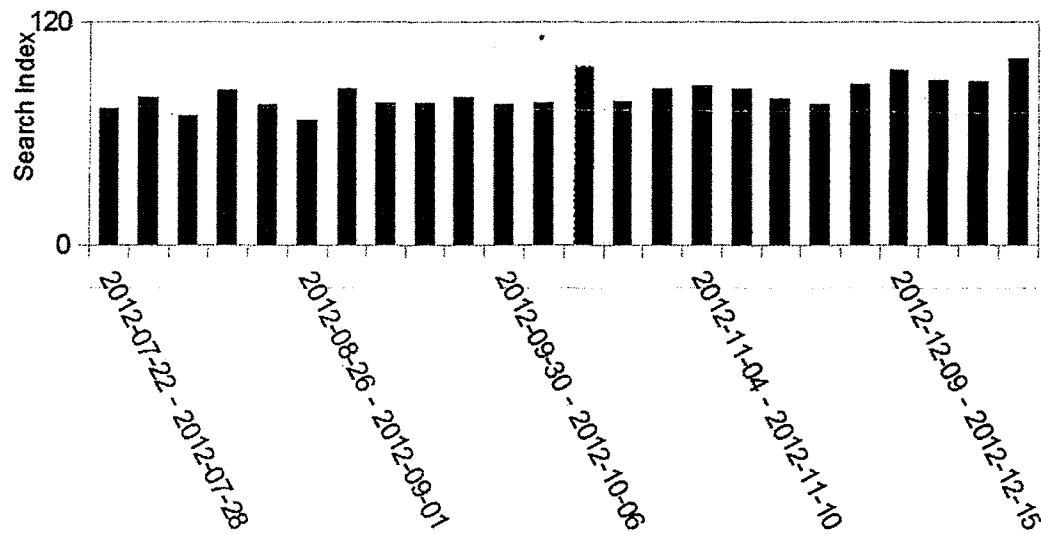


- **Chicago USA October 5th 2012**

Uber was sued by the taxi and livery companies in Chicago. According to the release, Uber is accused of violating Chicago city laws and Illinois state laws designed to protect public safety, consumer protection, and fair practices. (Wikipedia).

US counts numerous legal battles against one of the most famous Silicon Startups ever starting from 2011 onwards. Almost everyone of them triggered spike in Google searches and the current example is not an exception. See the chart below...

uber keyword search index - USA



One associate and close friend of ours even dared to ask:

How much of these controversies are indeed accidental ?

So the question posed is – Was Uber ever going to reach the heights of success by playing fair?

Is Uber going to far by courting negative PR?

What do you think?

National Post

Uber criticized for charging minimum \$100 fare to leave area of 'Sydney siege' hostage crisis

BY AILEEN DONNELLY DECEMBER 15, 2014

The cab-hailing company Uber was promising free rides and refunds Monday for people fleeing central Sydney after coming under fire for hiking prices during a hostage crisis that was unfolding there.

Technology news website Mashable reported that Uber was briefly charging customers a minimum fare of 100 Australian dollars and four times the usual per-mile rate to leave the city centre.

Uber said on its smartphone app that the rates had been increased because "Demand is off the charts!" according to Mashable.

But Uber, which offers a service based on hailing taxis from its app, quickly backtracked after an outcry on social media.

The company explained that it had used automatic "surge pricing" to encourage more drivers to get online and pick up passengers.

It wrote Monday on its Sydney blog that it was in the process of refunding people who had already paid the excessive fares and was giving free rides to others wanting to leave.

"We are all concerned with the events happening in Sydney," Uber wrote on the blog, adding that its thoughts were with those affected by the "Sydney siege" crisis and the New South Wales police force.

Many users had earlier expressed outrage: "you are horrible. Taking advantage of a situation to make a buck. If u were the only way home, I'D WALK!" wrote one person on Twitter under the hashtag #ubersydney.

The crisis began Monday morning when a gunman took an unknown number of hostages at the Lindt Chocolat Cafe in downtown Sydney. The usually busy area became deserted as Christmas shoppers fled, offices were evacuated and streets closed.

NEW DELHI, December 11, 2014

Updated: December 11, 2014 07:42 IST

Uber admits to negative feedback on cabbie

KRITIKA SHARMA

Company official says he is not aware of the complaint against the rape accused

Eric Alexander, the Asia-Pacific head of U.S.-based Uber International, on Wednesday admitted to having received negative feedback on its cab driver Shiv Kumar Yadav, accused of raping a woman executive in north Delhi last week.

The official, however, said the feedback they received was not enough to take action against him. He had no knowledge of any complaint from a U.S.-based NRI, Nidhi Shah, who went on Twitter sharing her discomfort while travelling in a cab driven by Shiv Kumar.

Mr. Alexander confirmed to the police that Uber's services in the city had been shut down.

"The official confirmed to us that its service in Delhi has been shut down and that they are now looking to develop a new technology to ensure more safety in their service," a police officer said.

During the second round of questioning by the police on Wednesday, Mr. Alexander said Uber had a strong system in place, including a feedback system as well, through which they received complaints and feedback about drivers.

Mr. Alexander was summoned by the police to join the investigation in the case.

He was given a 12-point questionnaire on Tuesday and was asked to submit the answers in a day.

He was issued a notice by the police under Section 91 of the Code of Criminal Procedure to provide certain documents of the company.

"We had requested Uber officials for some relevant data related to the company. They told us that they would retrieve the relevant data from their main office in San Francisco," a senior police officer said.

Uber has sent the log of the vehicle on the night of the incident which will help establish that Shiv Kumar was driving the cab that night.

Facing lawsuit in U.S.

Reuters reports from San Francisco:

Uber is facing a lawsuit over safety issues in its home state of California. The district attorneys of San Francisco and Los Angeles said on Tuesday they filed suit against the company for misleading customers about its background checks on drivers. Their civil complaint also charges that Uber drivers work at airports without authorisation, and in the case of San Francisco, charge a \$4 extra fee to passengers travelling there without paying anything to the airport. The district attorneys are seeking a permanent injunction requiring Uber to stop practices that they say violate California law.

Business Insider

In An Effort To Boot Uber From Spain, Madrid Will Fine Drivers Up To \$22,000

MAYA KOSOFF

OCT. 6, 2014, 11:38 AM

Spanish flags fly from a taxi cab painted with graffiti reading 'RIP Uber Taxi G\$\$gle' as it leads demonstrators along a city highway to protest against the Uber Technologies Inc. taxi app in central Madrid, Spain, on Wednesday, June 11, 2014.

Starting Monday, Spanish police will inspect and fine Uber drivers in Madrid for carrying passengers without required licenses, according to Novobrief.

Fines will range from €4,000 to €6,000 (about \$5,000 to \$7,500), and could be as much as €18,000 (roughly \$22,000).

Repeat offenses could lead to drivers losing their cars, according to The Local, an English-language Spanish publication.

UberPOP, Uber's European operation, initially launched in Barcelona in April. It launched in Madrid just weeks ago.

UberPOP is different than UberX, the standard Uber car in the US, because it allows you to split the fare with multiple passengers. In addition, UberPOP drivers use their own cars to drive people around — not just high-end vehicles. Essentially, UberPOP is Uber's European Lyft killer.

The problem with UberPOP, however, is that it's illegal across Spain. Here's Article 1 of Spain's current transportation legislature, which has been translated by tech.eu:

"Private transportation is qualified as such if it is used for personal or domestic transportation needs of the owner or close relatives. [...] Under no circumstances, will the private driver receive any kind of direct or indirect remuneration except for food money or transportation costs."

In other words, private transportation services like UberPOP requires licenses to operate in Spain.

"The main issue is that current regulation limits the number of such permits to a thirtieth of all taxi licenses, establishing a significant barrier of entry for new companies in the space," according to NovoBrief's Jaime Novoa, who has covered the ridesharing industry within Spain. "UberPOP relies on private drivers and vehicles to offer its services in a way to avoid

having VTC licenses. If Uber were to launch services like UberSUV, UberX or Uber 'black cars' it would have to get approval from the government via those permits."

Taxi drivers protested after Uber launched in Barcelona. This weekend, Catalonia's government said it would change local laws to punish Uber drivers and protect taxis, according to Spanish news outlet 20 Minutos. The proposed changes would fine drivers and keep them off the road if drivers didn't have proper licenses, similar to those enacted by Madrid on Monday.

Uber has been having a hard time in Europe. Its use in Berlin and Hamburg has been hotly contested recently. Paris taxi drivers protested the app earlier this year. Taxi drivers in Spain have protested numerous times since the app launched in Spain.

Unlike Uber drivers, taxi drivers say they're paying for taxes, insurance, and licenses, and Uber gives them unfair competition. Spain's Economy Minister Luis de Guindos sided with Uber earlier this year, telling taxi drivers they'd just have to adapt to new technologies.

An Uber spokesperson told Business Insider: "Uber is committed to providing the residents of Madrid with safe, reliable and cost-effective transport solutions. We continue to innovate within the framework of the law and are in constructive dialogue with policymakers about how Uber works best in the Spanish context. UberPOP is a new and innovative ride-sharing solution that enables citizens to share the costs of a vehicle that they own. Madrileños are voting with their fingers for more consumer choice by downloading apps like Uber. We stand by our partner-drivers and will support them."

Uber Ban Upheld In Berlin And Hamburg

by Brendan Byrne September 26, 2014, 3:06 pm

Under the latest ruling, Uber Technologies Inc. is to be banned from offering ride-sharing services in Germany's two biggest cities

Just over a week ago the company overturned a similar ban that would have ended their operations in the entire country, only to have courts in Berlin and Hamburg enact bans due to rulings that the company violates German laws.

The Berlin ruling applies to both the standard UberPop and premium UberBlack services, and court spokesman Stephan Grosscurth cited a lack of proper licenses as the reason for the ban.

"The services violate multiple rules for transporting people that serve to protect customers," said Grosscurth. UberPop drivers are not vetted "to see whether they can take the special responsibility when transporting customers."

Uber had won an appeal against a previous ban issued by the Hamburg appeals court, but today that ruling was overturned. A lower court ruled last month that the ban had been issued by the wrong city department. However both courts agreed that Uber's service violates the law.

German ambivalence part of ongoing battles

The somewhat confusing back and forth between bans and successful appeals is symptomatic of the German approach to technology firms on the whole.

The issue has become such a hot topic that last week the German Economy Ministry said that room needed to be made for new, digital business models alongside existing businesses, as well as calling for a review of laws governing transport and competition.

Uber itself released a statement stating that they were "reviewing the court documents in detail before commenting on today's decision but will continue to comply with German law." The spokesman refused to specify whether Uber would continue operating in the two cities pending any appeal.

In many of its operating cities, Uber has been pursued by conflicts with traditional taxi operators and authorities. Uber has had its business restricted by governments and regulators around the world due to perceived safety risks and unfair competition with licensed taxi services.

The company has a presence in 43 countries and has been forced to pull out of one city: Vancouver, Canada. There have been protests in European cities such as London, Madrid, Paris and Berlin by cab drivers whose licenses can cost up to \$254,000 each.

CNET

Tech Industry

Seoul says Uber ride-sharing is illegal before it's even started

South Korea's capital city says it will arrest drivers on the spot if the UberX service, currently in a free testing phase, becomes fully operational.

by Sa Youn Hwang

September 19, 2014 5:09 AM PDT

Between having its own drivers go on strike in New York and a German court lifting a ban on its ride-sharing service, Uber's global expansion has been a bumpy ride. The ride-sharing service's push into Asia is proving to be equally tumultuous, with the South Korean capital Seoul promising to take stern action against Uber if it launches the UberX service there.

So far, Uber has offered Seoulites a service similar to its original Uber Black, a premium luxury limo service with licensed chauffeurs, acting as a liaison between customers and local limo services. This service has been met with strong opposition from city officials, however, over insurance concerns and the disruption of local taxi services.

The company's UberX service, on the other hand, is the service most people think of as Uber: a low-cost option that allows any driver to use their private vehicle to provide taxi services. It's currently in the testing phase in Seoul and is free of charge to all users.

Korea's Ministry of Land, Infrastructure and Transport (MLIT) has instructed the city of Seoul to clamp down on all UberX services when it comes out of its testing phase and becomes fully operational as a paid service.

The MLIT is taking stern measures on the grounds that UberX's illegality is inarguable, and thus calls for immediate action. Seoul is even prepared to have officials use the ride-sharing app pretending to be customers to apprehend drivers on the spot. The city will also put a reward system in place for citizens who report such activities.

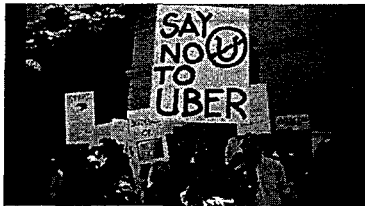
The MLIT has deemed UberX unlawful because the service does not have the licensing and certification needed to provide taxi services in Korea. Any car owner with a valid driver's license and 25 minutes to spare to register and watch an instructional video can become an Uber driver. By contrast, a Seoul taxi license, which can be bought or sold "under the table" in Korea, can cost up to 80 million won, according to local media (roughly \$77,000, £47,000 or AU\$89,000).

"When UberX becomes a paid service, it will become punishable in accordance with the Passenger Transport Service Act. As soon as testing phases are over, our dedicated squad will begin clamping down on Uber drivers," said a spokesperson for the city government.

According to the country's Passenger Transport Service Act, using a private car to provide taxi services to the public is punishable by two years of imprisonment or a fine of 20 million won (around \$20,000, £12,000 or AU\$22,000).

Germany is right to ban car-sharing app Uber - for now

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The car pick-up service application started by a US company, and its growing popularity in its home market, has led to protests from American taxi drivers. -- PHOTOS: REUTERS, AGENCE FRANCE-PRESSE

BY STEPHAN RICHTER

Uber, the car-sharing company, definitely has its place in the world economy. The question is how it should go about its plan to conquer the world.

It operates on the same principle with which then US president George W. Bush used to "tackle" the Middle East - invade first, ask questions later. And clearly this is a problem.

Uber, which is already in various European markets, found its app blocked by a German court earlier this month, due to a violation of the Passenger Transportation Act. While the decision is temporary, pending a full hearing, the case highlights Uber's mounting legal difficulties in Europe.

Uber has vowed to disregard the court's ruling, but the company's own reasoning is full of holes. Uber has to contend with far more than just a foreign legal system. The German cab market already exhibits many of the consumer benefits for which Uber deems itself a unique solution - and many deficiencies of the US market simply do not exist in Germany (and most of the markets in Europe, which Uber has entered).

Here's what Uber must consider if it hopes to succeed abroad.

Different systems

IN THE United States, cab systems in major cities feature outdated clunkers as cars, and cabs may literally disappear when it starts raining. Here, Uber can be put to good use.

As a resident of Washington, DC, where cabbies still resent the introduction of metered fares, I know of the major shortcomings of standard cab service, which basically amount to a Soviet-style approach in terms of product diversity - and service reliability.

Uber has helped me out of a pinch many a time when I had to make sure that dinner guests could get a ride back to their hotel and there were no cabs around.

Thus, given the universality of clunkers and irregular service, the introduction of higher-quality, upmarket cars and a vastly improved notion of service - both of which Uber provides - is a definite benefit to American consumers.

Contrast that with the basic situation in Germany. Taxi service works like clockwork. You call one citywide number, and you can reliably expect a cab within five to 10 minutes. Pretty much the same timeline as Uber.

Also, there are basically no clunkers on the road - most operators buy Mercedes-Benz cars for their cabs, mainly for reasons of better durability. Riding in style is hardly what the Germans are lacking. From a consumer perspective, that implies a less immediate need for Uber, although it will find its place in the market.

Disregard of national laws

THE most breathtaking element of the Uber standard operating formula is to argue, as the firm's top executives regularly do, that no laws apply to the company.

Why? Because - get this - the sharing economy wasn't invented yet when the relevant laws and regulations for taxis were written. Ayn Rand must feel like resurrecting herself in excitement.

Uber must follow nationally established laws and regulations. Saying it is an app and therefore it is different begs disbelief. Most nations have established rules to introduce taxi service.

That, by the way, is exactly what Uber offers, no matter how much it tries to spin itself away from that and towards the fact that it is an innovative new app. (German taxis offer app-based service, too, these days, in addition to order by phone).

Uber can file applications, and once it meets the standards and tests others have to meet, it can start operating.

When companies argue that they are preternaturally above the law in other countries, it demonstrates exactly the type of hyper- arrogance that much of the world by now has come to expect from US businesses. It ultimately neither helps Uber's principal causes, nor those of the US.

Encroaching on entrepreneurial economy

ACCORDING to all the breathless apostles of the sharing economy, it will do wonders to promote micro entrepreneurship. The basic hoax behind this propagandistic claim in the field of car-sharing has been exposed in plenty of news stories already.

Never mind that operating a taxi system, to Uber's likely dismay, is still only a very early example of the sharing economy.

The taxi business in Germany is plenty entrepreneurial. Many operators are family-owned businesses - and hence represent a true blue case of entrepreneurship. Uber will thus detract from, not really add to, that equation.

Selective precaution

ANOTHER point of contention surfaces when you look at other examples of regulation, such as US food laws. Europeans are painfully aware of how hyper-protective the US authorities are about items being introduced into the country's food chain.

Take the absolute import ban on non-fermented cheeses from Europe - offering such delicacies to American consumers is strictly verboten, by unwavering decree of the US authorities. The ban is deemed a vital precaution to avoid unnecessary health risks - but it's not so in Europe, even though it's often said by Americans to be so much more regulation-prone.

What bewilders not just Germans, but most Europeans, is how a legal culture like that of the US can be hyper-cautious about great cheeses, but apparently can consider operating an app-based cab service like Uber a lesser risk that is not worthy of regulation

Double standard at play

THAT is one more reason why the battle of Uber going global also seems to be a story of a double standard at play. We do not live in a world where the laws are essentially made to be observed by all non-Americans, while US firms, whether by definition or divine intervention, have a right to operate above the law.

For a long time, there were global concerns that the Germans did not show proper leadership. Given a whole host of policy issues, from a renewables-based energy strategy to data privacy, Germany is showing its willingness to stand up to the US. Germany's economic might helps it to stay its course. It cannot be forced, as easily as some economically weaker nations, to roll over from determined resistance, whether from the US government or firms.

Mind you, none of these arguments makes a case against Uber. It will find its place in the market, whether in the US, Germany or elsewhere. But it needs to observe global differences, contradictions and obligations.

The free world definitely needs constant innovation to find a suitable way to a prosperous future. But it also needs a better balance within capitalism itself between the need to innovate and having everybody play by the same rules.

The era where everybody simply rolls over when faced with the latest American fad, gig or app is over. What's needed now is a properly understood transatlantic partnership.

Adelaide Independent News

SA taxi drivers face prosecution in Uber's wake

DAVID WASHINGTON | 4 SEPTEMBER 2014

ADELAIDE | UPDATED: Up to 2000 South Australian taxi drivers could face prosecution and loss of their licenses as the State Government expands its crackdown on "unaccredited" booking services that utilise Smartphone technology.

InDaily reported yesterday that the Government is preparing a prosecution case against controversial taxi competitor Uber, which uses an app to allow customers to connect with hire car drivers in South Australia.

The Government argues that Uber is an unaccredited booking service, and is in breach of the Passenger Transport Act because it doesn't have a physical presence in South Australia where officers can view records.

It says it is preparing a prosecution case against the service, and that individual drivers could have their accreditation suspended or cancelled.

Today, the Government revealed it is also preparing to prosecute the Australian taxi booking app, GoCatch, which connects customers with accredited taxi drivers.

The GoCatch service has been operating in Adelaide for well over a year, with the company telling *InDaily* that about 2000 Adelaide drivers have signed up to the service.

Those drivers now face the same sanctions as Uber drivers.

In the wake of yesterday's story, *InDaily* asked the Government why GoCatch wasn't facing the same action as Uber, which has only been operating in South Australia for just over a week.

In response, a Government spokesperson said: "The State Government is also looking to prosecute GoCatch for breaches of the Act, and is collecting information to this end."

"If taxi drivers are found using unaccredited smartphone apps, including GoCatch, they face prosecution for breaches of the Act."

The Government wouldn't reveal why it had apparently taken so long to take action against GoCatch and its drivers, while its move against Uber was initiated in the first week of the company's entry into the SA market.

However, *InDaily* understands that GoCatch has been talking to Government officials about how to bring its app in line with legislative requirements, while Uber has not.

Taxi Council SA President Jim Triantafyllou welcomed the Government's move, saying the council "supports the prosecution of anyone using a booking system that does not comply with government regulations".

"Approved and registered booking services, including online options, are available through the three registered taxi booking companies of Yellow Cabs, Suburban Taxis and Adelaide Independent Taxis," he told *InDaily*.

"These approved companies offer passengers the security and safety of being fully compliant with the law, ensuring drivers have been fully trained, the cars are fitted with the latest security features including CCTV and they have physical offices offering additional services such as lost property."

GoCatch was founded in Sydney in 2011 by Andrew Campbell and University of Adelaide engineering graduate Ned Moorfield.

The app allows customers to tap in their location and destination and submit a request for a taxi direct to individual drivers who also use the app.

Like Uber, GoCatch has been unpopular with taxi companies, because it allows customers to sidestep the networks' booking systems.

Moorfield said the situation was a case of technology getting ahead of regulation, and if the authorities in South Australia were smart about it they would adjust the legislation to allow greater competition.

"I think what's really happening is the regulators in every state and territory are working out where we sit – and I don't think that's cut and dried," he said.

"We would hope that the regulators would see that competition is a good thing."

Uber's Australian general manager David Rohrsheim told *InDaily* yesterday that "every UberBlack partner is fully licensed and complies with all local laws, I don't expect anybody will be receiving any fines".

"Despite similar complaints from the taxi industry in NSW, the same UberBlack technology has been flourishing in Sydney for two years," he said.

Uber has faced opposition from governments and taxi operators in most of the jurisdictions in which it operates.

A court in Germany has this week ordered the company to stop operating because it is in breach of local laws. Uber says it will contest the decision.

Germany Imposes Nationwide Ban on Uber's Car-Hailing Service

Company Could Be Fined Up to \$328,225 Per Trip

By NEETHA MAHADEVAN

Updated Sept. 2, 2014 12:04 p.m. ET

FRANKFURT—A regional court in Germany has imposed a nationwide ban on one of Uber Technologies Inc.'s car-hailing services, posing a serious challenge to the company's ambitious expansion plans in Europe's largest economy.

The ban on the Uberpop service—which connects passengers with drivers who don't have professional licenses—was imposed last Thursday and came to light Tuesday in a report in German media.

The Frankfurt court said the San Francisco-based ride-sharing company could no longer carry passengers in Germany or face a fine, overruling a decision by a court in Hamburg to let the company continue operations in Hamburg, despite calling it "likely illegal."

Uber's Push For Open German Cab Market Wins Some Supporters Despite Uber's defeat in German court, transportation experts and even German competition advisers support Uber's push for opening up the cab market to other players. "It's time to challenge whether commercial transport of individuals requires such a high level of protection that the government needs to control it, or whether it may be enough to have a decent car and the required permits," says Andreas Knie, a transportation scientist at Innoz. He believes that a car-sharing society where citizens transport each other for payment would help bring unused cars and people with spare time back into business. (florian.bamberg@wsj.com and ulrike.dauer@wsj.com)

While the German ban doesn't affect Uber's more expensive Uberblack service in Germany, which uses professional drivers, the cheaper Uberpop 'ride-sharing' service has been a major focus of the company's expansion in Europe, particularly with cost-conscious consumers in Germany.

The court said Uber could no longer offer its Uberpop service because the company's network of drivers lack necessary licenses to pick up passengers.

If the ban is violated, the company could be fined up to €250,000 (\$328,225) per trip, and Zac de Kievit, an Amsterdam-based Uber director, could face up to six months in jail, according to a court spokesman. Drivers aren't liable.

Uber said it would appeal the decision.

"We will continue to operate in Germany and will appeal the recent lawsuit filed by Taxi Deutschland in Frankfurt," an Uber spokesperson said.

Last week, an administrative court in Hamburg overturned a ban on several Uber services, but added that Uber presumably infringes the law because its drivers lack a passenger transportation license.

Uber has two active services in Germany: Uberpop and Uberblack. Black offers limousines with chauffeurs while the cheaper Pop is the peer-to-peer service offered by private drivers, similar to Lyft in the U.S.

Uberpop has run into legal roadblocks in many other European cities, with Brussels and Barcelona declaring it illegal. A ban on Uber in Belgium imposes a €10,000 fine per ride. The suit against Uber in Germany was brought by Taxi Deutschland, a consortium of taxi companies operating in major cities across Germany.

"The Passenger Transport Act regulates the protection of drivers and consumers. That can't easily be overturned no matter how neoliberal the company," Dieter Schlenker, chairman of Taxi Deutschland, said in a statement.

The decision was also welcomed by various industry groups including the German Association for Taxi and Car Rentals.

"The decision of the Frankfurt judge confirms our interpretation of the law," the association's president, Michael Müller, said.

Germany has strict regulations for new entrants into the taxi market, requiring drivers to get a specialist license and adhere to a set fare structure. Taxi companies and authorities have accused Uber and its drivers of infringing these rules, while Germany's Monopoly Commission, an advisory body to the German government, has recommended deregulating the country's taxi market.

The skirmishes in Germany are part of a wider backlash against Uber, often fueled by existing taxi drivers who say they are under more burdensome rules and regulations than Uber drivers. Nevertheless, Uber continued with its plans to expand in the country, calling it "one of the fastest-growing markets for Uber in Europe."

The app provider started operating in Frankfurt, Düsseldorf and Hamburg in recent weeks after launching in Berlin and Munich last year, with plans to expand into Cologne, Stuttgart and possibly other cities.

In the U.K., court challenges to the Uber service brought by the London Taxi Drivers Association are pending but won't be heard until later this year. Meanwhile, Uber recently allowed London's black-cab drivers to use its app, challenging other taxi-hail startups such as Israel's GetTaxi Inc. and London's Hailo Network Ltd.

—Stephan Doerner, Sam Schechner and Lisa Fleisher contributed to this article.

CNET

Uber banned in Berlin as officials cite rider safety

With Uber facing issues in Spain, France, and the UK, Germany becomes the latest European country to have its doubts about the car-sharing service.

by Dara Kerr

August 14, 2014 8:30 PM PDT

Authorities in Berlin, Germany have banned Uber. Berlin became the latest city to put the kibosh on Uber when local authorities announced Thursday they were banning the car-sharing service because they were concerned about passenger safety, according to the BBC.

Berlin's State Department of Civil and Regulatory Affairs said that, unlike traditional taxis, Uber's insurance might not cover passengers using the car service. The authorities also said if Uber ignored the ban it could be slapped with a 25,000 euro (\$33,400) fine.

Uber set up shop in Berlin in February 2013. In a blog post on Thursday, the car service vowed to fight the ban.

"We intend to formally challenge this decision and fully expect that Berlin will follow the Hamburg authorities' lead and overturn the prohibition order," Uber Germany General Manager Fabien Nestmann said. "The decision from the Berlin authorities is not progressive and it's seeking to limit consumer choice for all the wrong reasons. As a new entrant we're bringing much-needed competition to a market that hasn't changed in years."

The ban in Berlin is just one of many problems Uber is facing in European cities. In Spain, legislation that outlaws any type of for-profit private transportation, like Uber, is in the works; protests by taxi drivers in Paris have turned violent; and, in London, black cab drivers have taken the company to court.

