

Company Profile: Uber

Name of Company: Uber Technologies Inc.¹

Name of CEO: Dara Khosrowshahi²

Board

- Ryan Graves, Resident Entrepreneur and Builder, Uber
- David Bonderman, Founding Partner of TPG Capital
- Cheng Wei, CEO of Didi Chuxing
- Garrett Camp, Co-founder of Uber, Founding CEO of StumbleUpon.com
- Yasir Al Rumayyan, Managing Director of Saudi Arabia Public Investment Fund
- Bill Gurley, General Manager, Benchmark
- Arianna Huffington, Co-Founder of Huffington Post³
- Travis Kalanick, Co-Founder and CEO, Uber⁴

Overall Toplines

- Though former CEO Kalanick resigned from the Trump Strategic and Policy Forum (“Business Council”),⁵ Uber still stands to benefit under the anti-regulatory, pro-business, and anti-worker’s rights outlook of the Trump administration.
 - Uber stands to benefit under the anti-worker’s rights⁶ outlook of the Trump administration. The company continues to classify workers as independent contractors instead of employees, which allows Uber to avoid paying minimum wage, overtime, and benefits.⁷ Uber is preparing for a fight in Seattle to block the first unionization effort for

¹ “Uber Technologies Inc,” Bloomberg, <https://www.bloomberg.com/profiles/companies/0084207D:US-uber-technologies-inc>; (last visited April 13, 2017).

² “Uber officially announces Dara Khosrowshahi will be its new CEO,” *CNBC*, August 29, 2017 <https://www.cnbc.com/2017/08/29/uber-new-ceo-dara-khosrowshahi-officially-announced-as-new-chief.html>

³ JP Mangalinden, “Here’s who’s on the Uber board, which is backing Travis Kalanick,” *Yahoo Finance*, March 7, 2017, <http://finance.yahoo.com/news/heres-whos-on-the-uber-board-which-is-backing-travis-kalanick-221604023.html>.

⁴ “Uber Technologies Inc,” Bloomberg, <https://www.bloomberg.com/profiles/companies/0084207D:US-uber-technologies-inc>; (last visited April 13, 2017).

⁵ Mike Isaac, “Uber C.E.O. to Leave Trump Advisory Council After Criticism,” *The New York Times*, February 2, 2017, https://www.nytimes.com/2017/02/02/technology/uber-ceo-travis-kalanick-trump-advisory-council.html?_r=0.

⁶ For example, Trump signed a bill that killed an Obama-era worker safety rule that required businesses to disclose violations when competing for large federal contracts. See: Kimberly Kindy, “Trump signs bill that kills Obama-era rule targeting wage theft, unsafe working conditions,” *Chicago Tribune*, March 28, 2017, <http://www.chicagotribune.com/business/ct-trump-wage-theft-unsafe-working-conditions-20170328-story.html>.

⁷ Sarah Leberstein and Catherine Ruckelshaus, “Independent Contractor vs. Employee: Why independent contractor misclassification matters and what we can do to stop it,” National Employment Law Project, <http://www.nelp.org/content/uploads/Policy-Brief-Independent-Contractor-vs-Employee.pdf>, 2.

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app-based drivers. Uber says a union threatens the freedom of drivers and has suggested it might leave Seattle if a union forms.⁸

- Uber's stands to gain from privatization and deregulation in the transportation industry.⁹ Privatization and deregulation have been viewed favorably by members of the Trump administration,^{10 11} and Uber generally stands to benefit under this climate.

Ties to the Trump Administration

- Former CEO Kalanick was a member of the Trump Business Council.¹²

How Uber stands to profit off Trump's policies

- Uber's stands to benefit from Trump's anti-worker's rights outlook.¹³ The company continues to classify workers as independent contractors instead of employees, which allows Uber to avoid paying minimum wage, overtime, and benefits.¹⁴ Uber is preparing for a fight in Seattle to block the first unionization effort for app-based drivers. Uber says a union threatens the freedom of drivers and has suggested it might leave Seattle if a union forms.¹⁵
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⁸ Greg Bensinger, "Uber Gears Up to Block Bid to Form a Union in Seattle," *The Wall Street Journal*, March 11, 2017, <https://www.wsj.com/articles/uber-gears-up-to-block-bid-to-form-a-union-in-seattle-1489237201>.

⁹ "Some Cities are subsidizing Uber rides to cut public transportation costs," *Business Insider*, December 15, 2016, <http://www.businessinsider.com/some-cities-are-subsidizing-uber-rides-to-cut-public-transportation-costs-2016-12>; Fran Spielman, "Supreme Court lets stand ruling featuring ride-sharing services," *Chicago Sun Times*, April 24, 2017, <http://chicago.suntimes.com/news/supreme-court-lets-stand-ruling-favoring-ride-hailing-services/>; Liam Dillon, "With Uber battle raging, one state lawmaker wants to deregulate the taxi industry," *The Los Angeles Times*, April 27, 2016, <http://www.latimes.com/politics/la-pol-sac-evan-low-taxi-deregulation-20160426-story.html>.

¹⁰ For example, Trump signed an executive action directing each federal agency to set up a task force to identify costly regulations that could be scaled back. See: Scott Horsley, "Trump Orders Agencies to Reduce Regulations," npr, February 24, 2017, <http://www.npr.org/2017/02/24/517059327/trump-orders-agencies-to-reduce-regulations>.

¹¹ For example, Vice President Mike Pence led unsuccessful effort to privatize social security and Secretary of Education Betsy DeVos is an advocate of steering from public schools into private charter schools. See: David Dayen, "Trump's Transition Team is Stacked with Privatization Enthusiasts," *The Nation*, December 28, 2016, <https://www.thenation.com/article/trumps-transition-team-is-stacked-with-privatization-enthusiasts/>.

¹² Mike Isaac, "Uber C.E.O. to Leave Trump Advisory Council After Criticism," *The New York Times*, February 2, 2017, https://www.nytimes.com/2017/02/02/technology/uber-ceo-travis-kalanick-trump-advisory-council.html?_r=0.

¹³ For example, Trump signed a bill that killed an Obama-era worker safety rule that required businesses to disclose violations when competing for large federal contracts. See: Kimberly Kindy, "Trump signs bill that kills Obama-era rule targeting wage theft, unsafe working conditions," *Chicago Tribune*, March 28, 2017, <http://www.chicagotribune.com/business/ct-trump-wage-theft-unsafe-working-conditions-20170328-story.html>.

¹⁴ Sarah Leberstein and Catherine Ruckelshaus, "Independent Contractor vs. Employee: Why independent contractor misclassification matters and what we can do to stop it," National Employment Law Project, <http://www.nelp.org/content/uploads/Policy-Brief-Independent-Contractor-vs-Employee.pdf>, 2.

¹⁵ Greg Bensinger, "Uber Gears Up to Block Bid to Form a Union in Seattle," *The Wall Street Journal*, March 11, 2017, <https://www.wsj.com/articles/uber-gears-up-to-block-bid-to-form-a-union-in-seattle-1489237201>.

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Trump administration.^{16 17} For example, regarding privatization, municipal public transportation agencies in major US cities, including Philadelphia, Oakland, and Tampa, have cut costs by subsidizing Uber rides for public transportation.¹⁸ Regarding deregulation, Uber benefits when the company is allowed to operate with a different set of rules than taxis, or if the taxi industry is deregulated.¹⁹ These privatization and deregulation trends are likely to accelerate under the Trump administration, and Uber stands to benefit.

- If Uber resumes its autonomous vehicles (AV) program, it stands to gain from federal subsidies to spur the development of AV, which threatens to create significant job loss²⁰ and in which Uber has a stake.²¹ The Department of Transportation budget allocated \$200 million for research and development on autonomous vehicle activities in FY 2017, and nearly \$4 billion total over the next decade,²² and the Trump administration may continue or expand upon those subsidies. Secretary of Transportation Elaine Chao has recently announced a review of autonomous vehicle policies.²³

Relevant CEO Biography Points and Controversies

- Former CEO Travis Kalanick stepped down from Trump's Business Council after controversy surrounding the #DeleteUber campaign and travel ban on refugees and immigrants from

¹⁶ For example, President Trump signed an executive action directing each federal agency to set up a task force to identify costly regulations that could be scaled back. See: Scott Horsley, "Trump Orders Agencies to Reduce Regulations," npr, February 24, 2017, <http://www.npr.org/2017/02/24/517059327/trump-orders-agencies-to-reduce-regulations>.

¹⁷ For example, Vice President Mike Pence led unsuccessful effort to privatize social security and Secretary of Education Betsy DeVos is an advocate of steering from public schools into private charter schools. See: David Dayen, "Trump's Transition Team is Stacked with Privatization Enthusiasts," *The Nation*, December 28, 2016, <https://www.thenation.com/article/trumps-transition-team-is-stacked-with-privatization-enthusiasts/>.

¹⁸ "Some Cities are subsidizing Uber rides to cut public transportation costs," *Business Insider*, December 15, 2016, <http://www.businessinsider.com/some-cities-are-subsidizing-uber-rides-to-cut-public-transportation-costs-2016-12>.

¹⁹ Fran Spielman, "Supreme Court lets stand ruling featuring ride-sharing services," *Chicago Sun Times*, April 24, 2017, <http://chicago.suntimes.com/news/supreme-court-lets-stand-ruling-favoring-ride-hailing-services/>; Liam Dillon, "With Uber battle raging, one state lawmaker wants to deregulate the taxi industry," *The Los Angeles Times*, April 27, 2016, <http://www.latimes.com/politics/la-pol-sac-evan-low-taxi-deregulation-20160426-story.html>.

²⁰ Steven Greenhouse, "Autonomous vehicles could cost America 5 million jobs. What do we do about it?" *Los Angeles Times*, September 22, 2016, <http://www.latimes.com/opinion/op-ed/la-oe-greenhouse-driverless-job-loss-20160922-snap-story.html>.

²¹ Mark Bergman and Eric Newcomer, "Uber to Suspend Autonomous Tests After Arizona Accident," Bloomberg Technology, March 25, 2017, <https://www.bloomberg.com/news/articles/2017-03-25/uber-autonomous-vehicle-gets-in-accident-in-tempe-arizona>.

²² "Department of Transportation," Department of Transportation, <https://cms.dot.gov/sites/dot.gov/files/docs/DOT-fy-17factsheet.pdf>, 5; (last visited April 13, 2017).

²³ David Shepardson, "Trump Administration Reevaluating Self-Driving Car Guidance," *Reuters*, February 27, 2017, <http://www.reuters.com/article/us-usa-trump-selfdriving-idUSKBN1650WA>.

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Muslim-majority countries.²⁴ Uber was accused of breaking a taxi strike at JFK airport following Trump's Muslim and refugee ban by lowering surge prices, though Uber denies that their intention was to break the strike.²⁵

- Video footage showed that former CEO Travis Kalanick said to an Uber driver: "You know what, some people don't like to take responsibility for their own shit. They blame everything in their life on somebody else. Good luck!"²⁶ He later publicly apologized: "It's clear this video is a reflection of me—and the criticism we've received is a stark reminder that I must fundamentally change as a leader and grow up."²⁷
- Susan Fowler, a former Uber engineer, claimed that Uber refused to do more than issue a warning to a superior after she and other women complained repeatedly about repeated sexual harassment. After she published the post, Kalanick said the company would launch an urgent investigation, saying he did not know about this issue.²⁸
- Uber tried, but failed, to "persuade a judge to approve a settlement offering 1.6 million California drivers an average of \$1.08 each to dispense with alleged labor-code violations that their lawyer earlier claimed might have been worth billions of dollars."²⁹

Key facts:

- Existing national or local campaigns against Uber
 - The NY Taxi Worker's Alliance is part of a national campaign to protect the full-time work of taxi drivers. The NYTWA has launched a campaign against what it perceives to be Uber's unfair business practices, which in its view, disadvantage both customers and traditional taxi drivers.³⁰

²⁴ Mike Isaac, "Uber C.E.O. to Leave Trump Advisory Council After Criticism," *The New York Times*, February 2, 2017,

https://www.nytimes.com/2017/02/02/technology/uber-ceo-travis-kalanick-trump-advisory-council.html?_r=0.

²⁵ Faiz Siddiqui, "Uber triggers protest for collecting fares during taxi strike against refugee ban," *The Washington Post*, January 29, 2017,

https://www.washingtonpost.com/news/dr-gridlock/wp/2017/01/29/uber-triggers-protest-for-not-supporting-taxi-strike-against-refugee-ban/?utm_term=.5c0082941c78.

²⁶ Johana Bhuiyan, "A new video shows Uber CEO Travis Kalanick arguing with a driver over fares," *recode*, February 28, 2017, <https://www.recode.net/2017/2/28/14766964/video-uber-travis-kalanick-driver-argument>;

Eric Newcomer, "In Video, Uber CEO Argues With Driver Over Falling Fares," February 18, 2017, <https://www.bloomberg.com/news/articles/2017-02-28/in-video-uber-ceo-argues-with-driver-over-falling-fares>.

²⁷ Travis Kalanick, "A profound apology," Uber Newsroom, February 28, 2017, <https://newsroom.uber.com/a-profound-apology/>.

²⁸ Julia Horowitz, "Uber CEO orders 'urgent' investigation after sex harassment allegations," *CNN*, February 19, 2017, <http://money.cnn.com/2017/02/19/technology/uber-harassment-investigation/>.

²⁹ Joel Rosenblatt and Edvard Pettersson, "Uber Deal Giving Driver \$1 Each Fails to Win Over Judge," *Bloomberg*, March 10, 2017, <https://www.bloomberg.com/news/articles/2017-03-10/uber-settlement-giving-drivers-1-each-fails-to-win-over-judge>.

³⁰ "2015 Campaigns," New York Taxi Workers Alliance, <http://www.nytw.org/campaigns/>; (last visited April 13, 2017); Dan Rivoli, "New York Uber drivers win lawsuit to obtain benefits," *New York Daily News*, October 13, 2016, <http://www.nydailynews.com/new-york/new-york-uber-drivers-win-lawsuit-obtain-benefits-article-1.2830080>.

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- Spending on lobbying and campaign contributions:
 - Last session, Uber lobbied for federal legislation that would allow federal employees traveling on official business to be reimbursed for the use of a transportation network company or innovative mobility technology, like Uber. (H.R. 5625)³¹
 - Uber also seems to have an interest in defense spending. Last session, it lobbied on H.R. 4909, which “authorizes FY2017 appropriations and sets forth policies regarding the military activities of the Department of Defense (DOD), military construction, and the national security programs of the Department of Energy (DOE).”³²
- Was fined \$20 million in 2017 by the Federal Trade Commission for exaggerating driver earnings claims.³³

³¹ “Uber Technologies, Bills Lobbied, 2016,” OpenSecrets.org, <https://www.opensecrets.org/lobby/clientbills.php?id=D000067336&year=2016>; (last visited April 13, 2017);

H.R.5625 – Modernizing Government Travel Act, 114th Congress (2015-2016),

<https://www.congress.gov/bill/114th-congress/house-bill/5625>.

³² “Uber Technologies, Bills Lobbied, 2016,” OpenSecrets.org,

<https://www.opensecrets.org/lobby/clientbills.php?id=D000067336&year=2016>; (last visited April 13, 2017);

H.R.4909 – National Defense Authorization Act for Fiscal year 2017, 114th Congress (2015-2016),

<https://www.congress.gov/bill/114th-congress/house-bill/4909>.

³³ “Uber Agrees to Pay \$20 Million to Settle FTC Charges That is Recruited Prospective Drivers with Exaggerated Earnings Claims,” Federal Trade Commission, January 19, 2017,

<https://www.ftc.gov/news-events/press-releases/2017/01/uber-agrees-pay-20-million-settle-ftc-charges-it-recruited>.

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