

Wall St. in road race to rip off drivers

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Body

Uber - the \$40 billion ride-sharing service and darling of Wall Street - is determined to fight any limits on its Wild West methods.

In 2014, the company faced major conflicts in 40 locations around the world, according to one study. This year, French cab drivers rioted and burned Uber cars, while the French government declared the company's operation illegal. In California, that state's labor commission ruled recently that an Uber driver was an employee, not an independent contractor as the company has repeatedly claimed.

Now, the fight over Uber is about to climax here, with the City Council possibly voting as early as Thursday to temporarily cap Uber's rapid expansion.

That couldn't come soon enough for Bhairavi Desai, founder and leader of the New York Taxi Workers Alliance, the union of yellow-cab drivers.

"Uber's model of part-timers is forcing out full-time professional drivers so it can lower wages across the board for all drivers," Desai said.

David Plouffe, a top Uber official and former strategist for President Obama, acknowledged the part-timer model in an interview Tuesday on "CBS This Morning."

"The vast majority of Uber drivers, they or their spouses have other full-time employment," Plouffe said. "They're using this as a supplement."

A supplement?

Tell that to veteran yellow-cab, black-car and livery drivers who toil long hours each day just to pay their bills.

Huge cash infusions from billionaire hedge fund investors like Julian Robertson have allowed Uber to launch a multimillion-dollar ad campaign to recruit new drivers with guarantees of big money and flexible hours.

That money has also bankrolled a stable of high-priced lobbyists and former government officials. They include Bradley Tusk, Stu Loeser and Jason Post, all former aides to Mayor Michael Bloomberg, and Matt Wing, former spokesman for Gov. Cuomo.

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The Wall Street money has also helped pay for attack commercials and mass mailing against Mayor de Blasio and those City Council members, including Ydanis Rodriguez, chairman of the Transportation Committee, who are spearheading legislation that would have a direct impact on Uber.

All of this outcry from a company that already has more cars registered on our streets than all of New York's yellow-cab companies combined. From a company that's adding 500 new drivers a week!

And while those cabs don't all operate at the same time, they do cruise the streets just like yellow and green cabs.

At that rate of growth, it's no wonder de Blasio and Rodriguez want to apply the brakes while officials study Uber's impact on Manhattan congestion, especially since most of those pickups are in that borough below 60th St.

"The cap could kill 10,000 job opportunities over the next year," said Josh Mohrer, Uber's New York general manager.

But some veteran cabbies who were initially lured by Uber's ads have quickly fled.

"There's a lot of promising but not delivering," said one driver who found the company deducted from his revenue not only its 20% commission, but an additional 12% in taxes and black-car fees.

"Uber is for Uber," said the driver, who asked not to be identified.

Like so many Wall Street-funded startups in cyberspace, Uber looks more like another scheme by the people at the top to bleed the people at the bottom.

Graphic

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