

Los Angeles cabbies protest ride-sharing apps

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LOS ANGELES

(AP) -- Los Angeles cabbies staged a noisy protest Tuesday over the smartphone-driven ride-sharing services that are cutting into their business.

About 200 taxis honked their horns and circled City Hall to demand the city crack down on app-driven companies that allow consumers to book rides online with limousine companies and private drivers.

"It's making us nervous because we feel like they come and steal our fares through these apps," cabbie Aydin Kavak told KABC-TV.

The rides are simply "illegal taxis disguised under the digital cloud" and the drivers might be unlicensed and dangerous, argued Rick Taylor, a spokesman representing four cab companies.

The protest came one day after the city's Department of Transportation issued cease-and-desist letters to the companies Uber Technologies Inc., Lyft and Sidecar.

Cabbies also planned to be on hand Wednesday when the City Council's Transportation Committee considers creating regulations for such businesses.

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William Rouse, general manager of Yellow Cab in Los Angeles, argued that the ride-sharing businesses operate as taxis and, thus, are subject to city regulations.

"They have an application on the phone that uses GPS that runs exactly like a meter. If you go an extra block, it charges you extra money," Rouse said. "And so it is, in fact, a taxi meter under the city's ordinance. ... They have to be regulated as taxi cabs."

The online companies disagreed, arguing that they are subject only to state regulators. All three, which are based in San Francisco, have signed agreements with the California Public Utilities Commission permitting them to operate while the commission works on creating ridesharing rules.

Drivers working through Lyft, which has giant pink mustaches on its vehicles, and the other companies must undergo criminal background and driving record checks. All three companies also carry liability insurance.

"As with innovations and movements before us, there will often be challenges and hurdles along the way," Lyft co-founder and President John Zimmer said in a statement.

However, the company has been in contact with the mayor's office and has received "encouraging signs" that Mayor Antonio Villaraigosa and incoming Mayor-elect Eric Garcetti "recognize the value of our community and plan to work supportively" to address concerns, Zimmer said.

Much of Uber's business involves hooking up customers with existing limousine and towncar companies licensed by the state, said Travis Kalanick, founder and chief executive officer.

Other, private drivers "might be guys who were in some other transportation business," such as food delivery and even former cabbies, Kalanick said.

"It's very, very clear that the services we're providing are 100 percent legal" and the company sees no reason to stop its Los Angeles operations, Kalanick said.

Uber, which operates in 35 cities worldwide, has hooked up thousands of drivers with hundreds of thousands of customers in California, where it also operates in San Francisco, Sacramento and San Diego, he said.

An email seeking comment from Sidecar was not immediately returned Tuesday.

Sidecar's website tells drivers that they need only a valid state driver's license, personal auto insurance and current auto registration to sign up through the service. However, the company website says drivers are "pre-vetted for safety."

"Sidecar's safety system includes driver background checks, driver and rider rating systems, GPS tracking features and the ability to share details of your trip in real-

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