

New Year's Eve to test Uber, Lyft

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After the clock strikes midnight, the champagne is popped and verses of "Auld Lang Syne" are sung with the slur of too many libations, for millions of people on New Year's Eve there will be only one thing left to do - order an Uber or Lyft for the drive home.

Wednesday into Thursday is expected to be the busiest 24 hours ever for these car-service companies, which use a smartphone app to connect passengers with [drivers](#), and in the last year have grown into international transportation monoliths. Uber and Lyft drivers will flood the streets of cities such as San Francisco and jack up fares five-times the normal rate, or more, and both companies expect to gain thousands of new customers who will chose the app over a taxi or subway ride.

Uber alone stands to make about \$100 million ferrying an estimated 2 million passengers worldwide on New Year's Eve.

But New Year's Eve will also test both companies' ability to provide millions of people with safe transportation on a night famed for debauchery. Uber and Lyft each have tens of thousands more customers and drivers than in 2013, and operate in many more cities. They are bulking up their workforce, recruiting new drivers who may never before have driven home a drunk stranger and encouraging out-of-town drivers to come into congested areas like San Francisco's Mission District, where they may not know their way around. Add to that swarms of pedestrians, broken champagne bottles in the streets and [drunk drivers](#), and hazards lurk everywhere, according to interviews with analysts, drivers and academics who study the companies.

Spokeswomen for Uber and Lyft said the companies do not provide any extra training for drivers to prepare for New Year's, but drivers are receiving messages through the app reminding them of safety precautions and traffic issues. And both companies maintain that they help keep New Year's safer by reducing the number of drunk drivers.

"We are constantly communicating with drivers about what to expect on busy nights like New Year's Eve and offering tips on how to maximize their own ride experience as well as their passengers' experience," said Lyft spokeswoman Paige Thelen. "We always encourage drivers to exercise caution on the road, especially on busy nights such as New Year's Eve."

Uber especially - already under fire for a series of controversies - could be vulnerable as it sends thousands of unprepared, or not fully vetted, drivers onto the streets, said analysts.

"I don't expect that the evening will pass without incident," said Arun Sundararajan, an expert in digital economics at the Stern School of Business at New York University. "Uber has gone down a path over the last month where they have put themselves in a position to have their weaknesses highlighted, and I wouldn't be surprised if that happens again on New Year's Eve."

A lawsuit is still pending against Uber from New Year's Eve a year ago, when a driver for the company's UberX service hit and killed a 6-year-old girl in San Francisco. Uber denies any fault because the driver was between fares and not transporting a passenger at the time.

"Given that it's the (one-year) anniversary, you'd think the company would make some gesture to say they've become more responsible, that they're taking precautions," said Veena Dubal, a postdoctoral fellow at Stanford University who studies Lyft and Uber. "But of course they

haven't."

Because Uber's drivers are contract workers, it's still unclear how a victim would be compensated in an accident. Uber drivers are not insured by the company when they are not picking up or transporting a passenger, or if they pick up a street hail.

"It could be a long and complicated process for an injured person to determine how to get compensated," Janelle Orsi, an attorney in Oakland.

An Uber spokeswoman said drivers have been reminded to make sure all passengers wear their seat belt and to only accept passengers through the app, and not street hails.

Uber especially is under more intense scrutiny after being slapped with a lawsuit earlier this month by San Francisco District Attorney George Gascon and Los Angeles County District Attorney Jackie Lacey for allegedly violating consumer protection laws. The company has been banned in dozens of cities across the globe; it faces investigations from authorities in China and India and an indictment for breaking transportation laws in South Korea; and its drivers have been alleged of sexual assault in Chicago, rape in India and Boston, and beating a man with a hammer in San Francisco. Uber has vowed to review its safety standards and unveil new programs in 2015 but have yet to make any changes.

New Year's Eve can be a lucrative evening for drivers, but it can also be one of the most challenging, said Mark Gruberg, a longtime San Francisco cab driver and co-founder of SF Green Cab.

"There are a number of things you have to worry about on New Year's Eve: drunk drivers, who are inevitable, and drunk passengers," Gruberg

said. "There are so many things to be aware of."

Keith Raskin of San Francisco drove for Uber's black car service on New Year's Eve in 2011 and 2012, and called the experience "terrible." There were so many Uber cars on the street, he said, he didn't make much money because he was sitting in traffic.

"The traffic gets really bad, and after 2 a.m., it can get really unruly," Raskin said. "Broken glass everywhere."

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