

# Second Uber office in China under investigation

May 6 2015

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Chinese police have visited the local offices of Internet taxi-hailing service Uber

Chinese police have visited Uber offices in a second city in a widening investigation into the company's operations in China.

An official at Chengdu's city transportation commission said the visit Wednesday was part of an investigation into Uber allowing private

drivers to offer their services via the taxi-hailing app, which has established a presence in about 10 Chinese cities.

The Chinese government in January banned drivers of private cars from offering such services through apps.

Police last week raided Uber offices in the southern city of Guangzhou, seizing thousands of iPhones and other equipment used to run the business.

The city's transport commission said it suspected Uber was operating an illegal taxi service without a proper business registration and threatened fines of 30,000 yuan, or about \$4,860, to those operating such services.

Uber faces multiples legal and regulatory challenges as it expands in the United States and abroad. In India, it has been banned in New Delhi, the southern technology hub of Hyderabad and the entire southern state of Karnataka.

The Chengdu official, who like many Chinese bureaucrats identified herself only by her surname, Ren, said she had no further information about the investigation there.

In a brief news release, Uber described the Wednesday incident as a "routine visit" and said there had been no disruption to the company's operations.

"We maintain open channels of communications, cooperating proactively with the authorities to help answer their questions on our local operations," the release said.

The company, which is valued at \$40 billion, allows passengers to summon taxi drivers in more than 250 cities around the world.

Such services have become hugely popular in China's congested cities, particularly those such as the capital Beijing and the financial hub of Shanghai where hailing a taxi on the street during rush-hour can be all-but-impossible.

A late arrival to the China market, Uber faces heavy competition from more established local apps backed by major investors. Most estimates put its share of the Chinese market at about 1 percent.

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Citation: Second Uber office in China under investigation (2015, May 6) retrieved 26 April 2024 from <https://phys.org/news/2015-05-uber-office-china.html>

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