

Uber plans \$1 billion China investment: report

June 12 2015

Taxi hailing app Uber plans to invest seven billion yuan (\$1.1 billion) in China, the Financial Times reported on its website, citing a company email.

The paper said it obtained the message sent to Uber investors this week by its CEO Travis Kalanick.

The FT posted a copy of the email file in a hyperlink within the article.

"Given our recent success in the region and substantial market share gains, we are planning to invest over 7 billion RMB (over 1 billion USD) in China in 2015 alone," the email said, referring to renminbi, another name for the Chinese currency.

Uber riders were making almost 1 million trips per day with business doubling in the last month, the email added.

It also said that Uber is operating in 11 cities in China, and over the next year plans to begin operations in 50 of the more than 80 Chinese cities that have populations of more than five million people.

Uber launched operations in China in February last year. The company in China refused to comment.

"We don't comment on this article/topic," Huang Xue, an Uber media official in China, told AFP in an e-mail.

The US-based company helps put customers in touch with private drivers as an alternative to traditional taxis.

It has become the focus of global controversy and is facing legal challenges and limits on its activities.

Taxi companies claim Uber drivers should be regulated in the same way as normal cabs and are leading the campaign against the service, which has a small but growing market share in China.

The popularity of private-car booking enterprises such as Uber and China's dominant taxi-hailing apps Kuaidi Dache and Didi Dache has soared in the country, where traditional taxis are criticised for poor service with rude drivers who routinely ignore customers on the street.

Uber has drawn the attention of authorities in China.

Police have paid visits to Uber offices in at least two Chinese cities, reports and officials said, including one last month in the southwestern city of Chengdu, the capital of Sichuan province.

An official at the city's transport commission said the aim of the visit was "to get some information".

© 2015 AFP

Citation: Uber plans \$1 billion China investment: report (2015, June 12) retrieved 8 May 2024 from <https://phys.org/news/2015-06-uber-billion-china-investment.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.