

Uber attracts late night passengers in St. Louis debut

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Thousands of passengers turned to Uber for rides to and from their homes and workplaces over the weekend as the rival to taxicabs debuted UberX in St. Louis in defiance of regulators.

More than 40 percent of the 5,000 local UberX trips logged from Friday through Sunday came during peak bar times - between 10 p.m. and 3 a.m. - indicating the service was used by people who wanted to avoid driving drunk, Uber said Monday.

Launched in 2010 in San Francisco, where the company is based, Uber has long sought to offer its UberX service in St. Louis but has faced opposition from the St. Louis Metropolitan Taxi Commission. UberX allows customers to use a smartphone app to connect with one of UberX's private drivers for a ride in the driver's vehicle.

Friday, the St. Louis Metropolitan Taxi Commission approved the ability of ride-hailing services as long a criminal background check is conducted on the driver that includes fingerprinting - a measure Uber says is too onerous. Instead, Uber contends its \$1 million commercial liability policy for every ride is sufficient, in addition to conducting background checks that screen for traffic violations and criminal history.

UberX began operating Friday morning in St. Louis and St. Louis County without complying with the commission's fingerprint requirement. The company joined with riders in filing a federal lawsuit on the same day alleging antitrust violations. A judge denied a request by



Uber and the plaintiffs that sought a temporary restraining order to allow UberX to operate for two weeks without commission regulations.

Uber General Manager Sagar Shah said the weekend exceeded expectations.

"It was incredible to see the positivity and response from the community," Shah said, adding that about 1,900 local drivers have passed background checks.

Uber's decision to launch in St. Louis is opposed by some local taxi companies. Adam McNutt, president of Laclede Cab Co., said UberX launching operations locally without paying licensing fees is unfair. "It definitely puts us at a competitive disadvantage, McNutt said.

Laclede Cab has 174 permits for its taxi drivers who operate as independent contractors, and McNutt said the company plans to seek more permits.

Laclede Cab's business wasn't negatively affected over the weekend as UberX debuted," McNutt said. "We were busy," he said. "At least as of now, we haven't seen an impact from Uber."

Laclede Cab added an app several years ago which has grown to account for 20 percent of its business. "People have gotten used to that, and we had a lot of customers using our app before Uber came here," McNutt said.

In response to criticism over not paying the same fees as taxi companies, Uber's Shah said its drivers are part-time, with most offering their services for six hours or fewer per week. "It's inherently different that the existing taxi model," Shah said.



St. Louis marks the first antitrust legal action the company has pursued. "We're very confident in our case, and this is not something we're taking lightheartedly," Shah said.

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