

## Uber hurt by political 'market swirl' after IPO, CEO says

June 11 2019

---



CEO Dara Khosrowshahi said he believes Uber will be "quite profitable" in the long term but that he is focused on growth in the short term

Uber chief executive Dara Khosrowshahi said Tuesday the company's slump following its share offering last month was due to a "market swirl" over tariffs that won't affect its long-term performance.

Speaking at a Washington forum, Khosrowshahi said Uber remains focused on growth over the next several years but that he sees a road to profitability for the ride-hailing giant.

"We got caught up in a bit of a market swirl, and there's nothing you can do about that," Khosrowshahi said in an on-stage interview sponsored by the Economic Club of Washington.

Khosrowshahi said the record drop after the [initial public offering](#) was likely due to trade frictions stemming from President Donald Trump's tariffs announced on China.

The rocky debut does not change the long-term outlook for Uber, which he said is moving beyond ride-sharing into electric bikes and scooters, meal deliveries and has a long-term project on flying taxis.

"If we work on creating a great enterprise, the market will take care of itself," he said.

Khosrowshahi said Uber is aiming for a slice of a global transportation [market](#) worth some \$16 trillion, allowing significant opportunities.

"We think it's time to lean forward," he said.

"The business itself can be quite profitable—we're confident of that—but the next two, three, four years are going to be about growth."

Khosrowshahi's appearance coincided with the debut of the Uber Elevate summit in Washington discussing Uber's plans to create a network of flying taxis in some markets by 2023.

Asked about Uber's plans for autonomous vehicles, he said he does not expect self-driving taxis for at least 15 years but that some automation

will be integrated sooner.

Khosrowshahi said there may be some self-driving vehicles for the "easiest" trips within five years.

But for fully autonomous rides, "we're going to be incredibly careful and we'll be absolutely sure safety comes first."

© 2019 AFP

Citation: Uber hurt by political 'market swirl' after IPO, CEO says (2019, June 11) retrieved 6 May 2024 from <https://phys.org/news/2019-06-uber-political-swirl-ipo-ceo.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.