

north shore news

EDITORIAL: Not fare

North Shore News

December 17, 2014 12:00 AM

Chances are you were hearing the name Uber and associating it with controversy before you even understood what the company was offering.

Though they promote themselves as a technology company that offers ride sharing services, they are in reality, just a new way of dispatching vehicles for hire.

The nearest Uber driver can be beckoned at an instant by way of a smartphone app. The fare is prearranged and paid for with a credit card, tip included. All very convenient - especially when there's not a cab to be had.

The main difference between Uber and a traditional cab company is that the Uber business model appears to involve setting up operations in new cities without jumping through any of the regulatory hoops required by the local jurisdiction.

Naturally, the taxi industry is fighting them tooth and nail, and local governments are lining up to oppose them on the basis of safety. But frankly, Uber isn't doing itself any favours by its own displays of arrogance. Investment speculators now value the company at more than \$40 billion (yes, with a B) yet Uber's executives appear to thrive on controversy, taunting their opponents, shrugging off serious PR nightmares and conflating the hostility they've earned with opposition to innovation.

The sad part in all this is that Uber could be offering a new and welcome service. The existing cab industry operates to the dissatisfaction of many.

This should also be a wake-up call to regulators. There is room for innovation and compromise but only for businesses that come to the table willing to play by the rules.

© North Shore News