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Nichdes Schieldop 3-14-18 The Washington Post

The Switch

From #deleteUber to 'Hell': A short history of Uber's recent struggles

By Brian Fung May 5

Uber has not had a great start to the year. The ride-hailing company has been reeling from a public battering over claims of willful discrimination, allegations of intellectual-property theft and the departure of several executives. The controversies have resurfaced a debate over Uber's hard-charging internal culture and the consequences of its win-at-any-cost attitude to business and regulation.

If you're having trouble keeping up with all the Uber news, here's a brief history of its struggles in 2017.

Late January

Hundreds of thousands of Uber customers reportedly <u>canceled their accounts</u> in response to the #deleteUber social media campaign after the company continued to run service while taxis were on strike at John F. Kennedy International Airport in New York. The strike was to protest President Trump's travel ban targeting foreign nationals from seven Muslim-majority countries. Some users viewed Uber's decision to continue to pick up passengers as an attempt at profiteering. Uber suffered a 10 percent drop in rides that weekend, according to some estimates.

Feb. 2

Amid continuing criticism for not suspending service to JFK over the travel ban, Uber chief executive Travis Kalanick stepped down from his position as a strategic adviser to Trump. Kalanick had been a member of a special advisory council to the White House that included Tesla chief executive Elon Musk and a number of other executives. Critics had questioned Kalanick's role with the administration. In a companywide memo, Kalanick said that he did not intend for his membership on the council to be interpreted as an endorsement of Trump's policies.

Feb. 21

Uber suddenly found itself embroiled in a sexual harassment controversy after a blog post by Susan Fowler, a former Uber engineer, went viral. In her post, Fowler outlined a number of allegations against the company and said that her reports of inappropriate sexual attention from a manager went largely ignored and that Uber's human resources department blamed her for "[being] the problem." The incident created a social media firestorm, prompting Kalanick to announce an investigation led by former U.S. Attorney General Eric Holder. Uber sent users intent on deleting their accounts messagee saying that employees were "deeply hurting" in light of the blog post and that the allegations went "against everything Uber stands for."

Feb. 23

Uber again landed in hot water when Google's self-driving car spinoff, Waymo, filed a lawsuit against the ride-hailing company that threatens to halt Uber's progress in developing its self-driving car. The suit accuses a former Google executive, Anthony Levandowski, of stealing sophisticated self-driving technology from Google before leaving to form his own self-driving truck company, which was then acquired by Uber. Google is an investor in Uber, and the relationship between the two firms has grown increasingly competitive as both work to dominate the race to build a mainstream self-driving car.

Feb. 27

Amit Singhal, another top Google employee who left to join Uber, stepped down after a report that he failed to disclose the real reason he left the search giant — namely, that he had been accused of sexual harassment while at Google. Singhal voluntarily departed Google, and was later asked by Kalanick to leave Uber, according to news reports.

Feb. 28

Kalanick made headlines again when he got into an argument with an Uber driver over fares. The encounter, which was caught on video, showed Kalanick boasting about how hard he drives his employees and accusing the driver of failing to take responsibility for his own income. The driver pointed out that Uber has repeatedly lowered wages for its drivers. Kalanick ended the trip by sarcastically wishing the driver luck. Kalanick later apologized and said that he needed "leadership help." The company said it was looking for a chief operating officer to work with Kalanick. "I must fundamentally change and grow up," Kalanick said in a blog post.

March 2

Uber relented in a high-profile legal fight with California regulators, saying it would agree to file for a testing permit for its self-driving cars after it had launched a test fleet in San Francisco without a permit. The news was a defeat for Uber, which had resisted following in the footsteps of its competitors in the autonomous vehicle space. Uber had argued late last year that it was exempt from the testing regulation because it had human drivers at the wheel. California authorities, however, did not budge, prompting Uber to move much of its testing to Arizona in December.

March 3

Reports surfaced that Uber had used a secret tool, known as Greyball, that allowed the company to circumvent government investigators in a years-long game of cat-and-mouse. The tool was designed to help Uber avoid abusive riders, but the company started using it to thwart regulators in places where the service was restricted or banned. Uber used Greyball to serve members of law enforcement a fake version of the app designed to prevent them from successfully hailing rides when investigating the company's practices. Uber also turned Greyball on cabdrivers to thwart them from using the Uber app to learn the whereabouts of Uber drivers. The revelation was a reminder of other covert actions Uber had taken to defeat its competition.

March 16

An analysis of Uber's self-driving car metrics showed that the company's autonomous vehicles needed constant micromanagement, according to a news report. The company's human testers had to intervene on average once per mile, Re/code reported, raising questions about the readiness of the company's autonomous cars despite a high-profile launch in Pittsburgh months before. By comparison, Google said in January that its human drivers need to take over its self-driving vehicles once every 5,000 miles, made more impressive by the fact that Google has logged many more miles than some companies working on autonomous vehicles.

March 19

Uber's president, Jeff Jones, said he was leaving the company over the sexual harassment allegations that were dogging the firm. "The beliefs and approach to leadership that have guided my career are inconsistent with what I saw and experienced at Uber, and I can no longer continue as president of the ride-sharing business," Jones said in a statement to Re/code.

March 25

Uber briefly suspended its self-driving car testing at the end of March, a day after one of its autonomous vehicles got into a crash in Arizona.

April 4

Pittsburgh Mayor Bill Peduto told the Wall Street Journal that he was quickly becoming disillusioned with Uber despite being one of the company's biggest champions when it launched a self-driving program in his city. Peduto said that Uber was not doing enough to fulfill its moral obligations to Pittsburgh residents. For example, he said that Uber had walked away from commitments that could have helped Pittsburgh win a competition sponsored by the Department of Transportation known as the Smart Cities Challenge. That initiative came with \$50 million in grant money for designing next-generation transportation technologies. Uber said its investments had helped "put Pittsburgh on the self-driving map" and created jobs for the city.

April 11

Rachel Whetsone, Uber's top communications executive, said she was leaving the company, making her the latest in a slew of executive departures. Whetstone, who had also worked previously at Google, reportedly clashed with Kalanick over how to handle crisis communications, according to reports.

Roughly half a dozen senior Uber staffers have departed the company in recent months.

April 12

According to a report by <u>The Information</u>, Uber operated a top-secret program known as "Hell," which sought to identify drivers for Uber competitor Lyft. The program not only helped Uber in locating Lyft drivers, potentially giving Uber a competitive advantage, the report said, but could also identify which Lyft drivers also drove for Uber. Those drivers would then be singled out for special driver-retention efforts, meaning that they were treated differently from Uber's most loyal workers. Legal analysts said the program could be viewed as an example of an "unfair business practice," which could land Uber in court. From #deleteUber to 'Hell': A short history of Uber's recent struggles - The Washington ... Page 5 of 5 2°

April 14

California regulators said that Uber may be subject to more than \$1 million in fines after the company repeatedly failed to take action against drivers that passengers said were driving drunk. Uber investigated only 13 percent of passenger reports about drunken driving, according to California's Public Utility Commission. Uber has promoted its ride-hailing service, in part, by arguing that it reduces drunken driving by keeping inebriated passengers from getting behind the steering wheel.

April 27

Amid the boiling lawsuit between Waymo and Uber over self-driving cars, Levandowski, the former Google employee at the center of the controversy, said he will stop working for Uber on any issues related to lidar, the sensing and detection technology that helps cars "see." While Levandowski would remain employed by Uber, his recusal came after he had tried — and failed — to invoke the Fifth Amendment to prevent certain Uber documents from entering the court record.

May 4

Two months after the public learned about Greyball, the Justice Department launched a criminal probe into Uber over the issue, raising the stakes immensely for the embattled company. Both Uber and DOJ have declined to comment on the matter.

Brian Fung covers technology for The Washington Post, focusing on telecommunications, Internet access and the shifting media economy. Before joining The Post, he was the technology correspondent for National Journal and an associate editor at the Atlantic. I Follow @b_fung