The Verge 2017 tech report card: Uber

Has any other company had a more batshit year than Uber? In lieu of a traditional report card, I briefly considered just copying and pasting text from the Book of Revelation into this article. That's how bad it was.

Let's recap: Uber CEO Travis Kalanick joins President Trump's business council, and faces an immediate backlash; Uber is accused of undermining a taxi driver protest at JFK airport; the #DeleteUber hashtag goes viral; Susan Fowler speaks her mind; Waymo files its lawsuit; a self-driving Uber runs a red light; a self-driving Uber crashes; Travis Kalanick is caught on camera being a jerk; we learn about Uber executives visiting a South Korean escort bar; Apple threatens to remove Uber from the App Store; "Greyball;" "Hell;" Anthony Levandowski pleads the Fifth; Anthony Levandowski is fired; Uber considers smearing a rape victim in India; many Uber executives resign; Kalanick resigns; Lyft outpaces Uber; London bans Uber; the new CEO apologizes; a failed auto-leasing program is canceled; a major Uber investor sues Kalanick, who countersues; Uber is subject to five separate criminal investigations; Uber is fined for enabling unqualified drivers; a data hack exposes personal information of 57 million riders and drivers; the hacker is paid off and the hack is covered up; and (last but not least) Uber's secret spying unit is exposed, and it sounds insane.

It's exhausting covering this company

It's exhausting covering this company. Everyday brings a fresh allegation, a new self-inflicted humiliation or scandal, and the further abnegation of its responsibility to operate in good faith for the sake of its drivers and customers. At first it was kind of funny. I'd skip into the office wondering, "What fresh hell awaits me today?" But it quickly took a dark

turn, especially as Susan Fowler's story of systemic misogyny and harassment came into full light. And the reports of how Kalanick and others obtained medical records of a woman who was raped by her Uber driver made my stomach turn. Now I'm just numb.

Which is to say nothing of the hundreds of Uber employees who had to experience harassment first hand. Or the drivers who fought for more recognition, but were denied. Or the customers who used Uber with the reasonable expectation of safety, only to have that violated. Or the competitors who expected a fair fight, but were subjected to illegal surveillance and dirty tricks instead.

Competitors who expected a fair fight got illegal surveillance and dirty tricks instead

The story used to be about how Uber's "move fast and break shit" philosophy upended the taxi hegemony and rankled regulators who were trying (and failing) to force the rapidly growing company to play by the rules. For better or worse, Uber embodied Silicon Valley disruption, which helped fuel the exponential increase of its market valuation. Many people cheered the company on, happy to see old ideas about technology and government oversight tossed to the side. But others were reasonably worried about the effects Uber would have on our society – the shift from a salaried workforce to independent contractors, the unrealistic expectations of the on-demand economy, the deleterious effects autonomous cars could have on employment.

Uber may not ultimately survive. It may continue to decline, while Lyft or some other more ethical-seeming rival takes over. It may be felled by the Waymo lawsuit, or some other scandal or court drama yet to emerge. Whatever wild ride we've been on with Uber for the past year may come to an end. But these issues of employment and artificial intelligence and capitalism run amok will outlast it. They are bigger than Uber.




Photo by Amelia Holowaty Krales / The Verge

Another reasonable take away from Uber's *annus horribilis* is that none of its matters. 2017 is the year when "lol nothing matters" became the default response to a lot of the events occuring in our daily hell world. Uber continued its growth trajectory in 2017, while its core product arguably got way better and more functional. Millions of people continue to use the service every day, unbothered by the almost daily headlines of internal strife and scandal. Meanwhile the company took some very basic steps to address its weak spots, adding a tipping option and making other changes intended to improve the experience of driving for Uber. It stepped up some of its safety features, like live location sharing and 24/7 hotlines. And Dara Khosrowshahi, the new CEO, has said (repeatedly) that in no uncertain terms would he tolerate any more bad behavior.

Uber is rolling into 2018 on all flats with a leaky engine and the steering wheel is on fire
The question is: who's buying it? Uber is rolling into 2018 on all flats with a leaky engine and the steering wheel is on fire. Softbank, which is expected to invest $10 billion in the company, is about to get the deals of all deals when it buys a huge chunk of Uber stock at a 30 percent discount. Gross bookings are up, but the ride-hail company can't stop bleeding cash. Net losses are up. Lyft's market share keeps growing. So much for that $69 billion valuation we all reported uncritically!

Transparency has been hell for Uber. Susan Fowler's blog post, in addition to a lot of dogged journalism and the blessing that has been the Waymo lawsuit, helped tear the curtain back on Uber's toxic culture. And #DeleteUber has helped expose the lack of loyalty many customers feel toward Uber. If all the

drivers are driving for all the apps, what good is one app over the other? Many smart people believe that Uber has no credible path to profit. That its economics are abysmal and its business model is a sham. Khosrowshahi has said Uber will go public in 2019, which means all of its balance sheets and data on profits and losses will finally be laid out, fully transparent for everyone to see. We'll see about that.

Final grade: F

F 2017 Grade

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Gold Stars

- A new CEO with a mandate to clean house
- Public contrition seems genuine
- Improving safety features and conditions for drivers

Needs Improvement

- Basically the least trustworthy company that ever was
- Unsustainable business model
- Honestly, just use Lyft

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