

Ride Services Decimate San Francisco Taxi Industry's Business

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The fall of the taxi industry in San Francisco, as less-regulated ride services have taken hold, has been both steep and sharp. The number of trips taken by taxi plummeted 65 percent in just 15 months, according to a report presented to the San Francisco Municipal Transportation Agency board Tuesday.

It's been evident that the booming popularity of app-dispatched ride services like Lyft and Uber has dramatically eaten into the taxi industry's business. But the report on the status of the taxi industry reveals the depth of the impact.

The average number of trips per taxi has been on a steady slide - from 1,424 per month in March 2012 to 504 this July.

The new ride services "have dramatically changed the for-hire transportation industry in San Francisco," said Kate Toran, the city's new taxis and accessible services director.

While the MTA regulates the taxi industry, the state Public Utilities Commission has claimed jurisdiction over the new ride services, which typically contract with people to use their personal cars to carry passengers who hail them with a smartphone app.

The new companies, unlike taxi operators, have lesser insurance requirements, no restrictions on the number of vehicles they put on the streets, no clean-air standards and less-stringent background checks. The newcomers say they're replacing a failed industry, while the taxi companies claim they're underregulated scofflaws.

Among biggest impacts of the ride services has been the drop in taxi rides taken by people in ramp taxis, which carry people in wheelchairs. As the ride services have grown and the number of cabs has diminished, so has the availability of wheelchair-accessible taxis, which are costlier to operate. The number of pickups in ramp taxis dropped from a high of 1,378 in March 2013 to just 768 in July. The ride services are not required to pick up people in wheelchairs. MTA officials have offered incentives to cab companies to keep more ramp taxis on the road.

The agency has already taken steps to keep taxis part of the city's transportation landscape by reducing or eliminating fees and streamlining regulations. They've also required electronic information systems in all cabs and encouraged the use of dispatching apps. Most cabs now use electronic hailing apps similar to what the ride services offer.

But MTA directors and some taxi drivers and managers said more is needed. Director Malcolm Heinicke wants to make it mandatory for taxis to have e-hailing apps, and taxi drivers said they want the city to keep ride services and limousines out of transit-only lanes and taxi stands.

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