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### IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KING

WESTERN WASHINGTON TAXICAB OPERATORS ASSOCIATION, on behalf of certain of its members,

Plaintiff,

v.

**UBER TECHNOLOGIES, INC.,** 

Defendant.

No. 14-2-08259-2 SEA

COMPLAINT FOR INJUNCTIVE RELIEF AND MONETARY DAMAGES

### I. NATURE OF ACTION

This is an action for injunctive relief and monetary damages brought by taxicab drivers in the City of Seattle and King County whose livelihood is threatened by Defendant Uber Technologies, Inc. (herein "Uber"). Uber is an on-demand for-hire vehicle service operating in Seattle, Washington, and King County, Washington, providing services identical to the services provided by members of the Western Washington Taxicab Operators Association (herein "Operators Association"). However, Uber does not comply with the applicable laws and regulations adopted by the State of Washington, King County, and the City of Seattle. By operating in violation of the State, County and City laws and regulations, Uber engages in an

COMPLAINT - 1 Case No. 14-2-08259-2 SEA LAW OFFICES OF SCHWERIN CAMPBELL BARNARD IGLITZIN & LAVITT, LLP 18 WEST MERCER STREET SUITE 400 SEATTLE, WASHINGTON 98119-3971 (206) 285-2828 unlawful and deceptive business practice which harms the economic interests of taxicab drivers represented by plaintiff, and the public at-large.

### II. JURISDICTION AND VENUE

- **2.1** The Superior Court of Washington has jurisdiction of plaintiff's claims pursuant to RCW 2.08.010.
  - **2.2** Venue in King County is appropriate pursuant to RCW 4.12.025.

### III. PARTIES

- 3.1 The Operators Association is an organization of Seattle and King County taxicab operators united to secure a sensible, fair and safe framework for the operation of taxicabs within Seattle and King County, to advance the interests of taxicab operators through public education, to represent taxicab operators' interests before public bodies, and to develop legislation and policy statements aimed at securing equity and safety for taxicab operators through lobbying and political action. The Operators Association also sponsors regular training and continuing education to promote the professional skills of taxicab operators. Any person licensed to operate a taxicab in Seattle or King County is eligible to join and maintain membership in the Operators Association.
- 3.2 The Operators Association conducts its affairs, including meetings of its Leadership Council, primarily in King County, Washington.
- 3.3 Defendant Uber Technologies, Inc. is a for-profit corporation registered in Washington State. Uber operates for-hire vehicle services in the City of Seattle and King County.

## IV. ALLEGATIONS RELATED TO THE WESTERN WASHINGTON TAXICAB OPERATORS ASSOCIATION'S STANDING

- **4.1** The Operators Association is acting in this suit on behalf of its members who are licensed taxicab drivers, lease drivers, and operators of for-hire vehicles carrying out those activities within the City of Seattle and within King County.
- 4.2 The Operators Association has standing to bring this suit on behalf of its members who are affiliated with taxicab associations licensed under Seattle Municipal Code 6.310 and its members who are licensed by King County to operate a taxicab or for-hire vehicle in the unincorporated areas of King County because (a) those members would otherwise have standing on their own; (b) the purpose and goals of the Operators Association include uniting all drivers, ensuring drivers have the resources they need to build a better life for themselves and their families, securing equity and safety for drivers, and protecting drivers from injury due to deceptive or unlawful business practices; and (c) none of the claims require individual members on whose behalf the Operators Association is bringing this suit to participate as a necessary party to ascertain damages.

### V. FACTUAL ALLEGATIONS

- **5.1** Defendant Uber is engaged in the business of dispatching and metering for-hire vehicles in the City of Seattle and King County.
- 5.2 The Operators Association's members operate taxicabs in the City of Seattle and King County, some of whom own their own vehicles and some who lease the cabs they drive. The City of Seattle and King County have for decades heavily regulated the taxicab and for-hire vehicle industry and both the driver and the vehicle are subject to extensive City and County regulation and ongoing monitoring. The number of taxicabs and for-hire vehicles eligible to

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accept passengers is limited by the City of Seattle and King County. Taxi fares are established by the City of Seattle and King County and drivers cannot charge a different amount. The purpose of Seattle's Taxicab and For-Hire Vehicle Ordinance, SMC 6.310.100, is, in part, to "increase the safety, reliability, cost-effectiveness, and the economic viability and stability of privately-operated for-hire vehicle and taxicab services within The City of Seattle."

- 5.3 King County regulates taxicabs and for-hire drivers and vehicles and the services provided by same in King County Code Section 6.64. King County's Records and Licensing division (RALS) is responsible for licensing taxicab and for-hire drivers and ensuing that drivers comply with all applicable requirements. Drivers must complete a qualified drivers training course, pass a criminal background check, participate in "ride-alongs" with qualified drivers before carrying their first passengers alone, pass written tests on local geography and conduct requirements, pass verbal English tests conducted by South Seattle Community College, undergo annual driver record and criminal background checks, pass periodic physical exams, and pay all fees associated with each exam or training amounting to hundreds of dollars each year.
- 5.4 Washington State regulates privately operated limousine transportation services. RCW 47.72A. Pursuant to such regulation, contact by a customer to engage the services of a carrier's limousine must be initiated by a customer at a time and place different from the customer's time and place of departure. RCW 47.72A.020(1). Under no circumstances may customers or customers' agents make arrangements to immediately engage the services of a carrier's limousine with the chauffeur. *Id*.
- 5.5 Although Uber dispatches drivers to pick up the same passengers as the Operators Association's members, Uber's drivers do not complete the requirements set by the City of

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Seattle and King County. If the Operators Association's members were to provide taxicab service without satisfying the City of Seattle and King County requirements, they would be subject to up to 90 days in jail and up to a \$1,000 fine.

- 5.6 Uber's drivers similarly do not conform with Washington State law with regard to the operation of limousine transportation services, in that, among other actions, they permit customers to make arrangements to immediately engage their services. If the Operators Association's members were to provide similar limousine transportation services without satisfying the requirements of Washington State law, they would be subject to monetary penalties pursuant to, inter alia, RCW 46.72A.080(7)(a).
- 5.7 The vehicles driven by the Operators Association's members are also subject to regulatory authority. All taxicab and for-hire vehicles must pass regular inspections showing that they are safe, clean and comfortable, tasks which the drivers themselves typically must complete although they do not earn fare revenue. The Operators Association's members are prohibited from providing taxi or for-hire service unless their vehicles are equipped with a digital security camera, a global position system, a silent alarm, a fare meter, and a fare list approved by the City and County. The owner of the vehicle for hire must carry personal injury liability insurance, property damages insurance, and uninsured motorist insurance. The vehicles dispatched by Uber do not comply with these requirements, avoiding the costs imposed on the Operators Association's member who own their own vehicles.
- 5.8 The growth of Uber-dispatched drivers in Seattle is expected to continue and accelerate according to the "City of Seattle and King County Taxi, For Hire Vehicle and Limousine Services Demand" Study commissioned by the Seattle City Council in 2013. The

study found: "It is highly likely that this growth will occur at the expense of the traditional taxi market, placing a downward pressure on the number of trips per day made by Taxis."

5.9 The Operators Association's members experience economic harm due to the incursion of unregulated drivers dispatched by Uber into the taxicab and for-hire vehicle market. Unlike the licensed taxicab associations lawfully permitted to dispatch taxicabs to passengers, which must "satisfy every request for service so long as there are any operating taxicabs not in use," SMC 6.310.230, Uber exempts itself from any duty to provide fair and equal service. Uber only dispatches drivers to customers who can pay by credit card and who have used its Internet-application or website to request a vehicle. A phone call request from a customer is not accepted, nor is cash. Uber admits it seeks to serve wealthy, technology-connected passengers, leaving those with less means and technology to be served by the regulated taxicab drivers. Not only does Uber divert customers away from the lawful, regulated services provided by the Operators Association's members, it seeks to divert the most lucrative and most able to tip customers, further depriving regulated drivers of means to make a living.

# VI. CAUSE OF ACTION - BREACH OF THE CONSUMER PROTECTION ACT, RCW 19.86

- 6.1 Plaintiff restates and realleges the allegations set forth in paragraphs 1.1 through5.9 above.
- **6.2** Defendant Uber's failure to comply with the taxicab and for-hire regulations imposed by the City of Seattle, King County and the State of Washington constitutes an unfair and deceptive practice that is in violation of the Consumer Protection Act of Washington, RCW Chapter 19.86.

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**6.3** Defendant's practice is unfair and deceptive because it deprives the Operators Association's members of fares and tip money that would otherwise reasonably be expected to go to them as the licensed providers of taxicab and for-hire services.

- 6.4 Defendant's failure to comply with City, County and State regulations of taxicab associations operating in the City of Seattle and King County harms the public interest by depriving the public of the rights and protections provided to passengers within those regulations, which include licensed, trained drivers and safe and properly insured vehicles, as well as the fees Uber would otherwise pay for the privilege of dispatching drivers on the public's roads.
- **6.5** Plaintiff Operators Association's members have been harmed in an amount to be determined at trial and seek an injunction against defendant to enjoin further violations of RCW 19.86.

### VII. REQUEST FOR RELIEF

WHEREFORE, plaintiff requests that this Court enter an order granting it the following relief:

- **A.** That plaintiff's members be awarded damages in amount equal to the lost fares and tips due to defendant Uber's unlawful dispatch operation;
- **B.** That plaintiff's members be awarded exemplary damages in an amount equal to three times the lost fares and tips caused by defendant Uber, pursuant to RCW 19.86.090;
- C. That plaintiff be awarded its reasonable attorney's fees and costs pursuant to RCW 19.86.090;